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## Cabinet pleased by U.S. moratorium on repaying debts

By DAVID LANDAU  
Post Diplomatic Correspondent

Prime Minister Shimon Peres confirmed at the cabinet yesterday that the U.S. had suggested, and Israel had gratefully accepted, a moratorium on the payment of \$500 million in debts which fall due over the coming three months.

The moratorium would become an outright cancellation if Congress votes this sum or more as special aid to Israel early in 1985.

Senior government sources said that Vice Prime Minister Yitzhak Shamir and Finance Minister Yitzhak Moda'i had been apprised of the American offer from the outset, and had been privy to Peres's initial decision to accept it.

The premier's hesitation stemmed from his concern that a moratorium on debt-deferment would sap Israel's credit-worthiness on the international money-market. But leaders in the administration and in the Congress assured him that this would not be the case — especially since President Reagan himself was prepared to give voice to an American understanding of Israel's currency reserves.

(Official sources in Washington attempted yesterday to deny there had been any agreement on a moratorium. This apparently was because of an agreement between Israel and the U.S. to keep it secret, according to State Department officials. However, our Washington correspondent reports that U.S. officials leaked the report to Israel Radio in Washington and it then became public knowledge.)

The moratorium offer originated —

as Peres was at pains to stress to the cabinet yesterday — on the American side. Israel had not asked for it, Peres said, nor expected it. Indeed, he had been taken aback, Peres reported, when the offer was made to him by senior Congressional and administration figures — and pressed upon him with such vigour and insistence.

The senior government sources predicted yesterday that Congress would vote to grant Israel between \$500m. and \$1 billion in special aid when it reconvenes early in the new year. This sum would be in addition to the \$2.6b. in aid to Israel already voted for the current fiscal year, which began on October 1.

Of this latter sum, \$1.2b. is for civilian aid — and Peres obtained from the U.S. government an undertaking to transfer this immediately as one lump sum, rather than in periodic payments throughout the year. This concession itself is worth to Israel a sizable amount in interest earned and saved.

The here-and-now procurements of Peres's Washington visit, therefore, add up to very significant sums of money which will flow into, or remain in, Israel's state coffers in the weeks ahead.

Peres was warmly praised by his cabinet colleagues for these achievements yesterday, and he for his part warned solemnly that the enhanced American aid "does not relieve us of the imperative need to reduce inflation, to close the balance of payments gap, and to raise productivity."

Moda'i echoed this theme. The

(Continued on Back Page)

## Peres 'threatening' Syria with partial IDF withdrawal

By DAVID LANDAU  
Post Diplomatic Correspondent

Israel's "threatening" Syria with a partial withdrawal from South Lebanon in Damascus refuses to reach an understanding on security provisions that would allow for a full Israeli withdrawal.

This is the position that Prime Minister Shimon Peres has adopted following his talks last week in Washington. Informed sources said last night that both Peres and top U.S. policymakers were optimistic that Damascus will eventually agree to a security understanding, and believe that Israel's partial withdrawal option could catalyze Syrian agreement.

The logic behind Peres's "threat" is that in the absence of an understanding, Israel would withdraw from the heavily populated and largely hostile western sector of South Lebanon, but stay put — and dig in deeper — in the east, where its artillery is within easy range of Damascus.

Israel would hope, apparently, that UNIFIL would take over areas vacated by the IDF in the west, especially Sidon with its large Palestinian refugee population.

At the cabinet yesterday, Defence Minister Yitzhak Rabin seemed uncomfortable with talk of a possible unilateral redeployment, apparently believing that it would lead the Syrians to assume that Israel was losing its staying power in South Lebanon.

But sources close to Peres said that any differences between the two men were only over tactics and that they saw eye to eye on the substantive policy.

The sources stressed that the idea of Peres's "threat" of a partial pull-back is not merely a threat, but a highly viable option if a broad security understanding is reached.

(Continued on Page 2, Col. 1)

## Home-made bomb injures 7 youths near Nablus

By DAVID RICHARDSON  
Jerusalem Post Reporter

Seven youths were injured yesterday when a home-made bomb exploded next to a hiking path in the hills south of Nablus. The condition of one of the injured, a girl, was described as moderate while the rest suffered superficial shrapnel wounds. All were being treated at Haddassah Hospital in Ein Karem having been evacuated by helicopter soon after the incident.

According to military sources, the teenagers came from Patah Tikva and were on a three-day tour of Samaria sponsored by the Society for the Protection of Nature. They were on their way to Dove Cave, a popular bird observation point near the village of Atzira al-Kabaliya, south of Mount Gerizim.

The bomb was planted alongside the trail and consisted of a timer, nails, and an as yet undetermined explosive, according to initial on-site findings.

Officers yesterday felt that the bomb was hidden after the party of youths was seen approaching.

Yesterday's attack, although apparently unrelated to other recent bomb attempts in the West Bank, has drawn attention to a recent increase in terrorist activity in the area. The past few months have seen

three roadside charges and home-made devices planted on roads near Ma'aleh Ephraim.

Following the explosion, the army searched the area. No arrests have been reported and military sources could not say whether a curfew had been imposed on the area.

Meanwhile, a petrol bomb was thrown at an IDF patrol near the Askar refugee camp north of Nablus yesterday evening. No injuries or damage were reported. A curfew was imposed in the area.

A senior military commander in the area said yesterday that, while the security forces had had significant successes in combating terrorism and enjoyed excellent intelligence, not all attacks could be prevented.

The Jordanians, he noted, were generally successful in preventing PLO infiltration into Israel from their territory. They were more concerned about infiltration into the kingdom from Syria, he said.

The PLO still enjoyed some control and influence in the West Bank, but pro-Jordanians "now felt more comfortable" than they had in the past, he said. With over a million people crossing the bridges every year, the PLO was still able to maintain a strong network of contact and influence in the territory, he said.

## Iraq says 'naval target devastated'

BAGHDAD (AP). — Iraqi jetfighters yesterday "successfully raided a very big naval target" south of Iran's Kharg Island off terminal in the Gulf as Iraqi and Iranian gunners traded artillery duels across the common border, a war communique issued here said.

The "devastating air strike was carried out at 5 p.m. and all Iraqi jetfighters returned safely to base leaving the stricken target on fire with smoke billowing from it," according to the communique released by the general command of the Iraqi Armed Forces.

The communique, which reports on the daily combat action of the four-year Gulf war, said the reported air attack "underlines our determination to tighten the blockade imposed on Kharg Island."

## Salvadoran president, guerrilla leaders open peace talks

LA PALMA, El Salvador (Reuters). — President Jose Napoleon Duarte and leaders of El Salvador's guerrilla movement opened talks here yesterday in a bid to end almost five years of civil war in which at least 50,000 people have died.

It was the first time that leaders of the U.S.-backed government met face-to-face with chiefs of the rebel movement which has been fighting the Salvadoran army.

The meeting opened in La Palma's modern church, dominating a square packed with hundreds of hopeful Salvadorans.

But Joaquin Villalobos, one of the most powerful men in the Farabundo

do Marti National Liberation Front (FMLN), announced less than an hour before the unprecedented meeting that he would not take part.

Villalobos commands the People's Revolutionary Army (ERP), the biggest of five combat groups fighting under the umbrella of the FMLN.

His place was taken by Facundo Guardado, a guerrilla leader who lacks the stature of Villalobos.

The guerrillas were represented by Guardado, Ferman Cienfuegos of the Forces of Armed National Resistance (FARN) and two leaders of the guerrilla movement's political wing, Guillermo Ungo and Ruben Zamora.

Duarte's team included Defence Minister Eugenio Vides Casanova, wearing his general's uniform, and Presidency Minister Julio Adolfo Ray Prendes.

El Salvador's Roman Catholic archbishop, Arturo Rivera y Damas, and two bishops were witnesses to the meeting.

La Palma's normal population of some 10,000 was swollen by thousands of Salvadorans who had driven there since dawn in buses and lorries, many provided by the government, to witness an event which has raised hopes for an end to bloodshed.

Western diplomats said the meeting was a promising step but warned against premature hopes for an early end to the war between the 42,000-strong army and the FMLN's estimated 6,000 to 9,000 guerrillas. Their most optimistic forecasts were that the talks might result in a truce.

In Washington, U.S. Secretary of State George Shultz said Duarte had taken a very bold initiative and was risking his life in holding the talks.

"But he is a man of faith and he is proceeding on that basis. President Reagan has given President Duarte his whole-hearted support in this effort for peace," he said in a television interview.



Defence Minister Yitzhak Rabin greets U.S. Defence Secretary Caspar Weinberger (right) at Ben-Gurion Airport yesterday evening. Behind Rabin is U.S. Ambassador Samuel Lewis. Andre Butman

## Biggest ever arms sale nearing completion

By WOLF BLITZER  
Jerusalem Post Correspondent

WASHINGTON. — U.S. Secretary of Defence Caspar Weinberger may announce as early as today the completion of the largest-ever Israeli military sale to the Pentagon or anywhere else.

The sale, which would represent an enormous boost for the Israeli economy, is for 120 millimetre mortars needed by the U.S. Army.

According to authoritative U.S. officials, Israel Military Industries has emerged ahead of a French weapons manufacturer in the fierce competition for the sale, which could involve as much as \$1 billion.

The officials said Israel would not necessarily receive all of that money since some of the work would have to be co-produced between the U.S. and Israel.

Weinberger, the officials added, might also announce that Israel will be permitted to purchase three

diesel engine submarines in the U.S. despite some strong opposition from the U.S. Navy which fears that the construction of the submarines would weaken its own nuclear powered submarine programme.

Congress has been pressuring the U.S. Navy to build less expensive diesel subs. U.S. Navy officials, who prefer the nuclear subs, fear that an Israeli order for diesel vessels would inevitably increase pressure on them to do likewise. Nuclear subs can remain under water longer than diesel subs.

An announcement of a possible Israeli arms sale to the U.S. was indicated last week following Prime Minister Shimon Peres's meeting with Weinberger at the Pentagon.

At that time, Peres predicted that Weinberger would arrive in Israel with some "concrete" news. He refused to elaborate, but U.S. officials yesterday suggested that Peres was probably referring to the mortar deal.

## Weinberger arrives

U.S. Defence Secretary Caspar Weinberger arrived here from Egypt for a two-day visit during which he will meet with Prime Minister Shimon Peres, Defence Secretary Yitzhak Rabin and top Defence Ministry officials and Israel Defence Forces officers.

Weinberger's U.S. Air Force plane landed at Ben-Gurion Airport at 6:30 p.m. The defence chief came from visiting U.S. paratroopers in the 11-nation force monitoring the Israeli-Egyptian peace treaty in the Sinai Peninsula.

The party waiting for Weinberger at the airport included Rabin and his wife, U.S. Ambassador Samuel Lewis and his wife, IDF officers, representatives of the Defence Ministry in the U.S. and other officials.

In a short arrival statement on the airport tarmac Weinberger said his planned meeting with Peres will be a continuation of their talks last week in Washington.

Noting that he had known the defence minister since Rabin served as ambassador in Washington, Weinberger said he was "looking forward to the substantive talks which I know will be very helpful to both countries."

Rabin said Weinberger's visit "shows the deepening of the relationship between our two countries...and the deepened relationship that has been developed

(Continued on Page 2, Col. 2)

## Economy on course for 925% annual rate Inflation hits new peak but worse is to come

By AVI TEMKIN  
Post Economic Reporter

Israel is on target for an annual inflation rate of 925 per cent. This was predicted after yesterday's announcement that consumer prices soared by 21.4 per cent last month — the largest monthly inflation rate ever recorded in this country.

But the new record (the last was the 21.1 per cent reached in October 1983) is expected to be short-lived as the Treasury is already resigned to a 26 to 27 per cent increase in prices for October.

The rise in prices last month, published by the Central Bureau of Statistics, brought the Consumer

Price Index to 6,975 points on a 1980 baseline of 100. Since the beginning of the year prices have climbed 253.4 per cent, while the cumulative rate of inflation for the last 12 months is 449.9 per cent.

But September's figures mark the start of a new period of higher inflation rates. The new record peak translates into an annual pace of 925 per cent, which many economic observers predict will be the new level of inflation during the coming months if steps are not taken to halt spiraling prices.

Reacting to the record inflation figures, the Treasury said yesterday that it was an expected development. It proved that without a package deal agreement between the

government, the Histadrut and the private employers there was no way to curb the increase in prices.

Treasury officials admitted yesterday that October's rate of inflation would be even higher than last month and approaching the 27 per cent mark.

According to CBS calculations consumer prices at the end of September were some 11 per cent higher than the monthly average. This means that the CBS can account for an 11 per cent increase in prices for October even before the start of the month.

The CBS declared that an average family of four would need about 152,577,000 to buy the average basket

(Continued on Page 2, Col. 2)

### NEWS BACKGROUND / Avi Temkin

## October's pay will be 80% of July's

By the time wage-earners get their next salary, their gross income will be worth some 20 per cent less than it was in July, on the eve of the elections.

(Comparative table of salaries in September and October — page 2.)

Existing wage agreements give workers a cost-of-living increment equal to 80 per cent of the increase in the consumer price index. This means the C-o-L allowance to be paid early next month will be 17.1 per cent, though the index went up 21.4 per cent last month.

But the index records the average prices for September, not the level of prices at the end of September. By the end of the first week in October prices were apparently 17 per cent or more above the September average — erasing the cost-of-living increment before it was announced.

Furthermore, since the C-o-L increment only covers part of the jump in the price index, wage earners fall behind each month.

Calculating the total wage erosion resulting from the partial compensation for price rises for the last three months would show that wage packages are worth some 8 to 9 per cent less in real terms than June's salaries, paid early in July.

Prices are also expected to go up another 10 per cent in the last three weeks of this month. If we add this to the 8 or 9 per cent erosion over the last three months, and remember that the next C-o-L increment has already been wiped out, by the time your next salary reaches your pocket it will be worth a fifth less than the one you got in July.

Net salaries, though, will be

## Zooming zeros crippling computers

The government and the Bank of Israel may soon be forced to "drop one or two zeros" from the shekel, whether or not there is any monetary reform such as dollarization, *The Jerusalem Post* has learned.

According to banking sources and information from the data processing industry, inflation has reached such a rate that computers used by the commercial banks, and the government can no longer cope with the escalating number of digits.

The sources added that the standard computer used by banks is built to handle figures of up to 15 digits. This limit is now hopelessly inadequate.

The sources said the Bank of Israel must be considering dropping one zero from the currency. "Even if no plans for other steps to halt inflation are being envisaged, it is technically impossible to continue this way," the sources said.

The Ministerial Economic Committee is to convene today to discuss the economic situation. Minister without Portfolio Moshe Arens called for the meeting.

## Manufacturers moan: 'Only a wizard can break even today'

Jerusalem Post Reporter

TEL AVIV. — Manufacturers will be hard put to find money to pay their workers this November.

"The huge cost-of-living allowance is one problem; but there are other serious problems," a large manufacturer said yesterday. "The first signs of a recession are being felt in the marketplace. Consumers are just buying less. Their wages have been cut in real terms, and many consumers are not letting go of their money as fast as before."

He pointed out that the traditional solution has been to step up exports. "But you just can't shift from the local market to the export market overnight," he said.

Moreover, the government is evidently reneging on its promise to keep profits at about 15 per cent, "about the same amount we could get if we invested in a long line of financial instruments — without going to the trouble of running a factory."

The drop in sales has caused manufacturers a severe cash-flow problem. The only way to overcome this is to raise their prices faster — "and here we run into strong resistance of consumer organizations. Thus, we are caught in a squeeze: we must pay our workers, yet we can't raise our prices."

Asked if the manufacturers had raised their prices much faster than the index in the past months, he said that this was yet to be proved. "Some manufacturers raised the price of mayonnaise by 105 per cent. We were attacked, and even our explanation that the government raised the chief ingredient in mayonnaise by 143 per cent failed to quiet our critics."

An added problem, he said, is that the purchasing power of the workers will probably fall by 5 per cent with the paycheque received at the beginning of November, and by another 7 per cent with the paycheque received the month after.

"This means a 12 per cent pay cut, and the workers are getting restless. When inflation was 10 per cent a month, the value of money dropped by a third of a per cent a day. Now it is dropping by about two-thirds, and the erosion is increasing."

He said that the workers had lately adopted a new method to preserve the value of their money. "They run out and stock up on consumer goods for the entire month. They know that the price of the goods will rise.

(Continued on Page 3)

## Histadrut: No deal while prices run wild

By ROY ISACOWITZ  
Jerusalem Post Reporter

TEL AVIV. — A package deal on wages, prices and taxes cannot be achieved while prices continue to run rampant, the head of the Histadrut's prices steering committee told *The Jerusalem Post* yesterday.

Nuzhat Katzav, who is also chairwoman of the Histadrut's Consumer Protection Authority and a representative on the government-Histadrut-employers economic council, said that the recent price increases had made a mockery of the concept of a price-and-wages freeze.

"Certainly a freeze is necessary," she said, "but only after prices return to their mid-August level and then up-dated for inflation. We will not accept a freeze at the present prices."

Katzav sharply rejected charges that the Histadrut is responsible for

the failure to achieve a package deal. High inflation and the fact that the cost-of-living increment compensates for only 80 per cent of inflation means that wages are already badly eroded, she said. There is no justification to Finance Minister Yitzhak Moda'i's demand that the C-o-L increment be further neutralized.

Of the four elements of a package deal — prices, wages, taxes and profits — no one is talking about profits, Katzav remarked. She called for strong government measures to soak up excess cash "from those who have profited for years from the inflationary situation."

She said that a price freeze could be adequately policed with the help of volunteers provided by the Histadrut. "Of course, we won't have 100 per cent control over prices, but even 70 per cent or 60 per cent will be a lot better than the present situation."

## Histadrut may call for bi-weekly paycheques

By ROY ISACOWITZ  
Jerusalem Post Reporter

TEL AVIV. — Top Histadrut officials said yesterday the labour federation would consider demanding that wages be paid every two weeks as a means of contending with inflation. Other possible measures mentioned were the payment of special compensation in addition to the cost-of-living increment, and the payment of wages no later than the fifth of each month.

The Histadrut was caught off-balance by yesterday's announcement of a record 21.4 per cent increase in the consumer price index for September, and the wave of calls for an immediate package deal.

With both Histadrut Secretary-General Yisrael Kessar and Trade Union Department Chairman Haim Haberfeld out of the country, it was left to treasurer and acting secretary general Natan Almozino to react to the CPI announcement. Almozino blamed the policies of the former Likud government and "unjustified price rises" for the country's economic situation, and strongly rejected

charges that wage linkage was the cause of the inflationary spiral.

Histadrut officials were on the defensive yesterday in the face of what appeared to be a general public impression that it was stymieing the signing of a package deal. The discomfort was aggravated by the growing realization that the C-o-L increment agreement, which has been a holy cow in the package deal negotiations to date, is not adequate in the present circumstances.

Almozino stated the Histadrut's

(Continued on Page 3)



## The weather at major Swissair destinations

	15.10.84	MIN.	MAX.	
AMSTERDAM	12	15	17	Cloudy
BRUSSELS	12	14	17	Clear
BUENOS AIRES	17	24	27	Clear
CHICAGO	16	21	28	Clear
COPENHAGEN	10	15	19	Clear
FRANKFURT	8	13	17	Cloudy
GENEVA	7	10	14	Clear
HELSINKI	3	6	10	Cloudy
HONG KONG	24	25	27	Clear
JAKARTA	24	25	27	Clear
LAGOS	14	17	20	Clear
LONDON	10	13	16	Cloudy
MADRID	10	13	16	Clear
MONTREAL	7	10	14	Clear
NEW YORK	13	15	19	Clear
ORLEANS	3	7	10	Clear
PARIS	9	12	16	Cloudy
SAO PAULO	15	19	22	Clear
STOCKHOLM	5	8	12	Clear
TOKYO	15	19	22	Clear
TORONTO	10	13	16	Clear
VIENNA	12	15	19	Clear
ZURICH	7	10	14	Clear

\*For the latest weather conditions contact Swissair.

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## THE WEATHER

Forecast: Partly cloudy - possibility of light rain in the north

	Yesterday's	Yesterday's	Today's
	Humidity	Min-Max	Min-Max
Jerusalem	48	14-24	15-25
Golan	39	14-25	15-26
Nahariya	38	16-24	17-25
Safed	38	16-24	17-25
Tiberias	38	16-24	17-25
Nazareth	38	16-24	17-25
Alula	48	16-20	17-25
Shomron	54	17-26	18-26
Tel Aviv	61	20-27	21-28
B-G Airport	57	18-27	19-28
Jericho	33	18-27	19-28
Gaza	70	19-27	20-28
BeerSheva	38	15-29	16-30
Eilat	25	23-34	24-35

## Price gougers face trial within a week

Jerusalem Post Reporter

Gougers of prices on controlled goods and services may be tried summarily, Justice Minister Moshe Nissim announced yesterday.

Persons found in breach of price regulations will be brought to trial within seven days, Nissim said, and face maximum penalties of three months' imprisonment and/or a fine of IS2 million.

## PERES THREAT

(Continued from Page One)

ity settlement proves unattainable. The premier, they said, is determined that Israel's moves in Lebanon not be dictated by the Syrians.

Rabin said the Defence Ministry is ready for an early debate in the cabinet on South Lebanon options. This is likely to be held within a fortnight.

During his U.S. visit, Peres said repeatedly that the cabinet would discuss redeployment in Lebanon within a month, and that the withdrawal itself would take six to nine months. It is not clear whether a unilateral, partial pullback from the western sector would also take that long to execute.

Meanwhile, Peres and Rabin reported yesterday that Israel had responded favourably to a UN proposal that IDF and Lebanese officials meet under UN auspices to discuss security provisions in South Lebanon.

They stressed, however, that Israel could not agree to such talks being labelled sessions of the Mixed Armistice Commission - the long-defunct body created by the 1949 armistice agreement, which Israel considers dead.

## Haifa food shops face fines for lack of hygiene

Jerusalem Post Reporter

HAIFA. - Shops selling meat, fish and poultry products in breach of hygiene regulations will now be liable to "on the spot" fines of up to IS10,000, the municipal spokesman announced yesterday.

Under a new municipal by-law, approved by the city council and the Interior Ministry, inspectors can impose fines as often as they wish for infringements.

The regulations require store owners to ensure that all staff are appropriately dressed and that products for sale are kept on the premises and are sold direct from refrigerators.

## British miners' strike talks collapse

LONDON (AP). - Talks aimed at settling Britain's seven-month-old coal strike collapsed last night and miners' leader Arthur Scargill said there is no hope of an early end to the dispute.

He accused the National Coal Board of effectively breaking off the talks through their "complete intransigence and unwillingness to negotiate."

But Ian MacGregor, chairman of the state-owned industry, said: "We are the only people who have made any concessions."

Scargill said he would hold talks with other union leaders "with the aim of stepping up support for the miners' position."

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## Shamir aims to settle Herut's differences

By MICHAEL YUDELMAN  
Jerusalem Post Reporter

Vice Premier and Foreign Minister Yitzhak Shamir this week launched a series of consultations with Likud ministers in an attempt to bridge party differences and settle controversies before the Herut Executive meeting set for next Sunday.

The executive - composed of 120 members, most of them Shamir supporters - has not been convened for the past four years. It will be briefed by Shamir on the formation of the government and on his U.S. trip. Shamir was authorized to call the meeting by executive chairman Menachem Begin.

Arranging the executive meeting is considered a triumph for Shamir, whose leadership in Herut is being challenged by Housing Minister David Levy and Industry and Trade Minister Ariel Sharon.

Points of dispute in Herut, such as replacing Secretariat Chairman Yoram Aridor and the appointment of deputy ministers, may also be raised in the executive meeting.

After meeting with Finance Minister Yitzhak Moda'i and Sharon on Sunday, Shamir yesterday held a long meeting with Levy in his bureau at the Prime Minister's Office. They spoke, among other things, of the controversy surrounding the appointment of deputy ministers. Shamir wants to appoint Ronnie

Milo as his deputy in the Foreign Ministry and Michael Dekel as deputy defence minister. But Levy, Sharon and their respective supporters support Eliahu Ben-Elissar for the defence job. Ben-Elissar's candidature is also supported by Minister Moshe Arens and some of Shamir's own supporters.

A committee, composed of Arens, Levy and Sharon, appointed by Herut to decide in accordance with Shamir on the appointment of deputy ministers, has not met yet and the issue is not likely to be settled this week. The Jerusalem Post has learned.

The Liberals and Shas have also each been promised a deputy minister's position.

A delegation of Herut branch heads visited Shamir yesterday, lobbying for Dekel as deputy defence minister. Other delegations from branch heads and Herut activists are expected during the week to lobby for their respective candidates.

Shamir was due to meet Prime Minister Shimon Peres last night to demand that either the Interior or Religious Affairs Ministry be given to Shas, according to the promise made by the Likud during the coalition negotiations. The National Religious Party is demanding both portfolios, which are presently being held by Peres.

## Shamir has 'reservations' over Peres's W. Bank plans

Post Diplomatic Correspondent

Vice Prime Minister Yitzhak Shamir told the cabinet yesterday that he had "not identified" with some of the things that Prime Minister Peres had said in Washington "about Judea and Samaria and about Tabat." Shamir declined to elaborate.

His mention of Judea and Samaria was interpreted as referring to Peres' statements on plans to improve the quality of life for Arabs in the West Bank. The plans include the opening of a bank, the restoration of civilian mayors in towns now run by IDF officers, and the licensing of investment in a new pharmaceutical plant and other factories.

These moves were criticized at the cabinet by Industry and Trade Minister Ariel Sharon. They should have been discussed at the cabinet before they were announced, Sharon complained. After all, investment projects for Jewish settlements in Judea and Samaria require cabinet approval, he contended.

Communications Minister Amnon Rubinstein pointed out that Jewish projects as a rule are funded by the government budget, and thus need cabinet approval. The projected Arab industries would be funded by private sources, he said.

Shamir's veiled statement was seen as important both for what it said and because Shamir had restricted his implied reservations to the West Bank and Tabat issues, and not to Peres' statements on Lebanon, which was a key foreign-policy issue in the Washington talks.

Shamir had not voiced any reservations during the Washington talks, and circles close to Peres made a point yesterday of praising Shamir's loyal and courteous conduct during the Washington visit. They noted that as immediate past prime minister, current vice prime minister and future prime minister, Shamir's position had been difficult alongside Peres, and he had carried himself with good grace and aplomb.

They said the relationship between the two men was "very good" and that Peres and Shamir had held frequent private consultations during the Washington visit.

Reporting to the cabinet on his meeting with Andrei Gromyko, Shamir said that he had told the Soviet foreign minister that "Israel would refuse to consider the holding of an international conference on the Middle East as long as there are no diplomatic relations between Moscow and Jerusalem."

## INFLATION PEAK

(Continued from Page One)

of goods and services it purchased in 1979/80 with some IS3,680. It should be pointed out that the figure for last April was IS125,000, less than half the figure for last month.

Contrary to previous expectations, the wholesale price index of industrial output rose by less than the CPI, some 0.97 per cent. Prior to the publication of the index there was wide speculation about a very large increase in the wholesale price index, caused by the large price rises in industrial products since mid-September.

But according to CBS officials the fact that the CPI and the Wholesale Price Index rose by very similar figures does not prove that there were no unrealistic rises in industrial prices since most of them took place at the end of September and will only affect October's index.

Last month's increase in prices covered all the CPI items. Specially marked were the rises in prices of food, 23.2 per cent; fruits and veget-

ables, 28.1 per cent; education and culture, 24.2 per cent and furniture and home appliances, 24.3 per cent.

Other relatively high increases were registered in health services, 22.5 per cent; transport and communications, 21.4 per cent and home maintenance, 22.4 per cent.

On the lower end of the scale, housing prices went up by 16.5 per cent last month while clothing and footwear rose by 18.4 per cent.

The figures released yesterday showed that other price indices calculated by the CBS rose considerably less than the CPI and the wholesale price index.

The price index of input in residential building jumped by 15.3 per cent last month and reached 490 points on an October 1983 baseline of 100. The price index of input in agriculture rose by 14.9 per cent.

With the publication of the CPI the Treasury announced the adjustment in the travel tax. As from midnight tomorrow this will be IS39,820 instead of 35,800.

## WEINBERGER ARRIVES

(Continued from Page One)

during their term of office between our defence systems."

After the airport ceremony, Rabin and Weinberger left for the Tel Aviv Hilton.

Israel is the last stop on Weinberger's Middle East tour, which included Tunisia as well as Egypt.

After meeting with U.S. officials, Weinberger will be received at the Defence Ministry in Tel Aviv this morning in a full military ceremony, to be followed by a short meeting with Rabin. There will then be a larger meeting including other Israeli and U.S. officials.

Reuter reported yesterday that before leaving Cairo, Weinberger said he thought Israel wants to withdraw its troops from South Lebanon but that he had seen no plan or timetable for such a withdrawal.

Weinberger told a news conference that he did not know of any significant progress on the withdrawal issue.

A senior Egyptian official said Sunday there had been progress in recent days and that he thought Israel might be out of South Lebanon in six months.

Weinberger said: "I haven't seen any definite proposal on withdrawal from Lebanon at all. I think that Shimon Peres talked about this before he became prime minister."

He accused the National Coal Board of effectively breaking off the talks through their "complete intransigence and unwillingness to negotiate."

But Ian MacGregor, chairman of the state-owned industry, said: "We are the only people who have made any concessions."

Scargill said he would hold talks with other union leaders "with the aim of stepping up support for the miners' position."



One of seven young people injured when a bomb exploded by a path in the hills south of Nablus yesterday is received for treatment at Hadassah Hospital in Ein Kerem. (Dan Landau)

## Butman accepts Shcharansky's award

By GREER FAY CASEMAN  
Jerusalem Post Reporter

Former Prisoner of Zion Hillel Butman last night accepted the Shcharansky Award of Merit on behalf of Anatoly Shcharansky, who is serving a 13 year prison sentence.

The medal, presented by hospital director Dr Michael Rosenbluth at the 13th annual Shcharansky dinner in Jerusalem, was given in recognition of Shcharansky's courage and his "living symbolism of Jewish hope."

Butman, who was involved in the famous attempt to hijack a plane from Leningrad, spent many months in the cell adjoining Shcharansky's in Vladimir Prison.

Avital Shcharansky who was originally slated to accept the medal, left Israel suddenly for Europe and the U.S. this week to rouse public consciousness in the wake of a new upsurge of anti-Semitism in the Soviet Union.

In a taped message, she asked the world to unite behind Anatoly and all prisoners of Zion.

## Support for detained Hebrew teachers

MOSCOW (AP). - Thirty people took individual letters to the Soviet State prosecutor's head office here yesterday to protest over the recent arrests of two Hebrew teachers.

A woman who was part of the group told waiting Western reporters that 30 people handed in signed written statements at the office to protest the detention of Yuli Edelstein and Alexander Kholmyansky.

this summer.

Edelstein, 26, was arrested after drugs were found at his Moscow home during a police search. Dissident sources believe the narcotics were planted.

Kholmyansky, 34, was detained after police found a loaded pistol at his house, which the sources have also said was planted.

## Glickstein upsets eighth seed at Cologne

COLOGNE, West Germany. (Reuters). - Shlomo Glickstein of Israel, caused the first upset of the \$88,500 Cologne Cup Grand Prix tennis tournament yesterday with a three-set victory over eighth seed Cassio Motta of Brazil.

Glickstein, who lost to Kevin Car-

ren of the U.S. in the final here two years ago, beat Motta 6-4, 6-4 in the first round.

Last year's beaten finalist Hans-Dieter Beutel of West Germany was also a first round casualty, losing to sixth seed Jan Gunnarsson of Sweden.

## OCTOBER'S PAY

(Continued from Page One)

The Finance Ministry announced yesterday that it was adjusting tax brackets, child allowances and welfare credit points by 20.3 per cent. This revision covers the June-August period and reflects the fact that during the last two months the tax brackets have only been partially revised.

But according to some estimates made at the ministry, the brackets would have to be raised by another

12.5 per cent for workers to be paying the same taxes, in real terms, that they did in July.

A third factor making inroads into take-home salaries, is that the devaluation of the shekel has been speeded up during recent months. So while the rate of devaluation for September was almost the same as the increase in the price index during July and August, the devaluation was higher than the increase in the index. The dollar value of wages has therefore declined.

## 11 detained after rally at Dehaishe

Jerusalem Post Reporter

Bethlehem police yesterday detained 11 members of the Committee for Solidarity with Birzeit University following an illegal demonstration outside the nearby Dehaishe refugee camp.

The demonstrators carried placards demanding that Jewish settlers

be disarmed and that the authorities open paths leading into the camp which have been closed as part of the measures adopted to curb the rash of stone-throwing attacks on passing traffic.

The demonstrators were detained after refusing to disperse.

One policeman was hurt.

## Assad in Moscow as Soviets strive for Mideast foothold

MOSCOW (Reuters). - Syrian President Hafez Assad arrived here yesterday for a visit that marks the latest step in a Soviet diplomatic drive to establish a firm position in the Middle East.

Assad, the Kremlin's closest ally in the region, made his last publicised visit to Moscow in 1980 although Middle Eastern diplomats say he has made at least two undisclosed trips since then.

Western diplomats said they expected Assad to tell President Konstantin Chernenko about Syrian disapproval of reopened ties between Egypt and Jordan.

Moscow, itself cultivating ties with moderate Arab states, has so far made no overt statement on the subject.

Assad was also expected to voice concern over Moscow's continuing support for Yasser Arafat's leadership of the PLO.

Assad's visit follows increasing Soviet diplomatic activity in the Arab world that diplomats say is aimed at exploiting U.S. weakness and carving out a permanent Soviet role there.

Moscow has revived its long-standing call for an International Conference to produce a long-term Middle East settlement that would be policed by both the U.S. and the Soviet Union. Chernenko was expected to restate this aim and stress Moscow's role as "friend of the Arab people" in a banquet speech last night that diplomats said was certain to include a fresh attack on American behaviour in the region.

However, some diplomats said the Kremlin was aware that the conference would not take place since it was opposed by both the U.S. and Israel and Moscow must therefore have its sights on a more achievable goal. So far it was not clear what this could be, they said.

Diplomats also noted that despite the strong Soviet-Syrian alliance, Moscow's relationship with the independent-minded Assad contained points of friction.

Syria is unhappy about Soviet attempts to persuade it to halt its support for Arafat's opponents and is also uneasy over growing Soviet backing for its opponent Iraq against Iran in the Gulf conflict, they said.

## Lebanon adopts austerity budget

BEIRUT (AP). - After six hours of at times heated debate, Prime Minister Rashid Karamé's national coalition cabinet yesterday approved a "maximum austerity" budget of 10.4 billion Lebanese pounds (about \$1.4b.) for 1985.

The Syrian-backed premier said he anticipates a deficit of 2.68b. Lebanese pounds (\$37m.) - 1.06b. Lebanese pounds (\$14m.) less than the deficit in a draft budget presented by a ministerial committee to the cabinet.

The budget for the previous year was 10.75b. Lebanese pounds (which at the time amounted to \$2.15b.).

Karamé did not give the amounts

allocated to various government institutions, but Shi'ite Moslem leader Nabih Berri, who serves as minister of state for Southern Lebanon, said the cabinet agreed to 300m. Lebanese pounds (\$40m.) to aid the population of the Israeli-occupied southern third of the country.

Another 30m. Lebanese pounds (\$4m.) was allocated to his ministry, which was created when the government was formed last April 30.

Administration sources said there were heated arguments among the ministers when Moslem opposition members insisted that the money allocated to the Defence Ministry and the Lebanese Army should be decreased.

## Syria has 'volunteers' ready for South Lebanon

BEIRUT (AP). - Syrian Chief of Staff Lt.-General Hikmat Shehawi said yesterday his country is willing to dispatch thousands of volunteers to help the Lebanese fight Israel's occupation force in South Lebanon.

"Syria is ready at any time to send thousands of Syrian volunteers to

join the Lebanese national resistance," Shehawi told the official Syrian Arab News Agency in Damascus.

The Lebanese national resistance is a term used to refer to gunmen who frequently attack Israeli troops in the south of the country.

## Mitterrand and Kadar call for detente

PARIS (Reuters). - French President Francois Mitterrand and Hungarian leader Janos Kadar expressed cautious hopes yesterday for a return to detente in Europe.

The Hungarian Communist Party chief, making the first trip to France by a Soviet Bloc leader since Mitterrand took office in 1981, began his two-day visit with private talks at the Elysee Palace.

Speaking at a lunch with Mitterrand and his ministers, Kadar said

Hungary believed there was "no reasonable alternative" to detente between East and West.

He said his country would do what it could to promote negotiations agreements rather than growing suspicion.

French officials were pleased that Kadar agreed to go ahead with his visit shortly after the leaders of East Germany and Bulgaria were persuaded by Soviet pressure to call off their trips to West Germany.

## Christians and Druse battle near the Awali

Jerusalem Post Reporter

METULLA. - Christians and Druse traded fire yesterday in the Aklim al-Harub area north of the Awali River.

The IDF reported that the shoot-

ing began at about 8 a.m. Despite several IDF-sponsored cease-fires the fighting continued well into the day. Several shells landed in IDF-controlled areas to the south, but there were no casualties reported.

On Sunday, October 21, 1984, there will be a graveside memorial service for our havrim

**DUDI SILBOVITZ** ז"ל  
**NEIL FREED** ז"ל

who fell in the Yom Kippur War.  
We shall meet at 4 p.m. at the Kibbutz Yizre'el cemetery.

The Families and Kibbutz Yizre'el

ad10616-824

With deep sorrow, I announce the sudden passing of my dear husband

**CHAIM BOMZER**

Family and friends will meet at the entrance to the Shikun Vatikim Cemetery, Netanya, at 12 noon today, Tuesday, October 16, 1984.

His wife: Tamar

AD1016-821

To Jillian Teicher and family  
Our deepest condolences on the passing of your

**Father** ז"ל

Management and Staff  
TWA Israel

My beloved wife

**MARGARITA (Manzi) SPIRA**

née STEINITZ

has left me forever.

The funeral took place yesterday, October 15, 1984 at the Kfar Samir Cemetery.

Ephraim Spira

To Maurice Kahan

Chairman of the Executive Board

We share your deep grief on the passing of your mother

**CHUMA KAHAN** ז"ל

Belt Maxima  
Air Separation Center, Ltd.



## Threat of Saudi flower power

## Farmers fear being edged out of EEC markets

By YITZHAK OKED  
Jerusalem Post Reporter

TEL AVIV. — Worried farmers fear Saudi Arabia is investing in Spanish farms in a bid to squeeze Israel out of the EEC markets for flowers and vegetables.

It is believed Saudi cash is behind a huge farm of about 6,000 dunams in southern Spain which is already growing 1,200,000 carnations.

The remaining land has been planted with vegetables similar to those exported by Israel.

Spray carnations are Israel's biggest seller in Europe with about 400 million flowers exported each year. It is feared that this year Spain will try to export 80 million carnations.

According to a well-informed source from the farming sector who has just returned from an international meeting in Europe the Saudi investors in the Spanish farm are prepared to lose money and sell the flowers at below cost price.

Their aim is to force the market price of the carnations down and inflict great losses on the Israeli farmers. In this way they hope to squeeze them out of the EEC markets, said the source.

Shlomo Tirosh, secretary of the Israel Association of Commercial Flower Growers, told The Jerusalem Post that he had heard the same

rumours from different European sources in the flower business.

He said it was difficult to discover who was behind the investments as they were carried out by Swiss bankers not prepared to reveal the names of their clients.

Tirosh predicts the Spaniards will be exporting more than 500m. flowers in another five years — more than half the number Israel exports at the moment.

But he fears that the prospects for vegetable growers are even worse as the Spaniards are making rapid advancements into such Israeli specialties as tomatoes, celery, lettuce and strawberries.

An official of Agrexco, Israel's agricultural produce export company, claimed that the Spaniards had started clearing new areas for farming. But he felt sure that much of this produce would be for their home market.

Agricultural exporting sources stressed that Spain wanted to step up its exports to Europe this year before she joins the EEC in the event of quotas being limited to past exports.

Last year a similar situation existed between the two countries as they both tried to export as much citrus as possible to the EEC countries in fear that

quotas would be established.

Local farmers paid dearly as citrus prices hit rock bottom and they were not even covering their export costs. The farmers fear this will happen in the export of vegetables and flowers.

Meanwhile, the new flower export season has got off to a good start here with Spanish flowers not appearing on the European markets until later in the year.

Gideon Bikel, a private flower exporter, said that prices this year are up as much as 30 to 40 per cent over 1983.

Maurice Zurel, of the Netherlands, one of the world's largest flower dealers, was here last week as guest of the Holon flower exhibition and was the man responsible for many of the 43 countries being represented at the show.

He was confident Israel could double its flower exports if it used more aggressive marketing tactics and ensured a high level of quality.

Agriculture Minister Arye Nehamkin who also visited the exhibition declared that the total budget for flowers must be spent on improving exports, the development of new markets and new types of flowers.

More than 100,000 visitors have already been to the show which closes on Thursday night.

## September, October take-home pay

Gross salary	September 1984 Income tax	Net salary	Gross salary	October 1984 Income tax	Net salary	Net increase
60,000	700	59,300	70,260	438	69,822	9,522
80,000	6,690	73,310	93,680	7,032	86,648	13,338
100,000	12,690	87,310	117,100	14,058	103,042	15,732
120,000	18,690	101,310	140,520	21,084	119,436	18,126
140,000	24,690	115,310	163,940	28,110	135,830	20,520
160,000	30,690	129,310	187,360	35,136	152,224	22,914
180,000	36,690	143,310	210,780	42,162	168,618	25,308
200,000	42,690	157,310	234,200	49,188	185,012	27,702
220,000	48,690	171,310	257,620	56,214	201,406	30,096
240,000	54,690	185,310	281,040	63,240	217,800	32,490
260,000	60,690	199,310	304,460	70,266	234,194	34,884
280,000	66,690	213,310	327,880	77,292	250,588	37,278
300,000	72,690	227,310	351,300	84,318	266,982	39,672
320,000	78,690	241,310	374,720	91,344	282,376	42,066
340,000	84,690	255,310	398,140	98,370	299,770	44,460
360,000	90,690	269,310	421,560	105,396	316,164	46,854
380,000	96,690	283,310	444,980	112,422	332,558	49,248
400,000	102,690	297,310	468,400	119,448	348,952	51,642
420,000	108,690	311,310	491,820	126,474	365,346	54,036
440,000	114,690	325,310	515,240	133,500	381,740	56,430
460,000	120,690	339,310	538,660	140,526	398,134	58,824
480,000	126,690	353,310	562,080	147,552	414,528	61,218
500,000	132,690	367,310	585,500	154,578	430,922	63,612
520,000	138,690	381,310	608,920	161,604	447,316	66,006
540,000	144,690	395,310	632,340	168,630	463,710	68,400
560,000	150,690	409,310	655,760	175,656	480,104	70,794
580,000	156,690	423,310	679,180	182,682	496,498	73,188
600,000	162,690	437,310	702,600	189,708	512,892	75,582



Prime Minister Shimon Peres receives an enthusiastic welcome from Christian pilgrims as he arrives to address the Feast of Tabernacles celebration in Jerusalem last night. (Yossi Zamir)

## HISTADRUT

(Continued from Page One)

dilemma when he said: "The index rise in September and the expected rise in October confront the Histadrut with the serious question of what measures to take to guarantee the real value of wages in circumstances of 900 per cent inflation. That question will be tackled by the Histadrut central committee next Sunday and by the executive in its meeting next Monday.

In a telephone interview with Israel radio yesterday, Kessar said that the economic situation demanded "steps by all sides — the government, the employers and ourselves."

The government must take a number of steps before a package deal can be successfully implemented, he said, among them further budget cuts, support for exports and productivity, and measures affecting capital and interest.

Kessar and Almozino were among those who mentioned the possibility of bi-weekly wage payments. Histadrut Likud faction head Ya'acov Shamai yesterday called for a 50 per cent advance on next month's wages to be paid to all salaried workers.

In yesterday's telephone interview, Kessar defended his absence abroad at such a critical time, saying that he was busy raising funds to subsidize the Histadrut's many welfare activities. He said that he had not been aware of Haberfeld's intention to travel abroad and did not believe that Haberfeld should have left the country.

## 2,000 pensioners attend Haifa's Succot outings

Jerusalem Post Reporter  
HAIFA. — More than 2,000 elderly residents yesterday took part in the annual Succot outings organized by the municipality.

## Peres welcomes pilgrims as city prepares for March

By HAIM SHAPIRO  
Jerusalem Post Reporter

Prime Minister Shimon Peres last night addressed the Feast of Tabernacles celebration under the auspices of the International Christian Embassy, at the Sultan's Pool when he extended greetings and the blessings of peace from Jerusalem.

"It is a moving experience for me to see you among us — thousands of inspired pilgrims from five continents and 40 countries. There is no more fitting place for such a humanistic assembly than Jerusalem. Since we reunited the city in 1967 we have been firm in our resolve to allow all followers of the faith of Mohammed, the faith of Jesus and the faith of Moses to worship without restriction and in safety."

The crowd greeted Peres with a standing ovation, but observers noted that their response was far from the frenzied adulation with which similar gatherings had applauded former prime minister Menachem Begin in the past. Before Peres spoke, Jan Willem van der Hoeven, a Christian Embassy official, told the prime minister that as they were standing there, van der Hoeven's son was being sworn into the armoured corps of the Israel Defence Forces on Masada. This was, van der Hoeven said, a small symbol of the support of Christians for Israel.

Earlier in the day Jerusalem Mayor Teddy Kollak told an American group participating in the Feast of Tabernacles celebration that they should understand Jewish objections to missionary activities.

"There is great sensitivity concerning missionary or other activities whatever its motivation and you

should know that it is especially justified in a generation in which the Jewish people was bereft of six million," he added.

Continuing the tradition of "Succat Shalom" which started last year the Neivot Shalom movement in Liberty Bell park yesterday. A programme of lectures, symposia and children's activities are taking place in the succa.

The massive influx of visitors coupled with a series of special Succot events is expected to bring the capital to a standstill today.

One of the main events is the Jerusalem March when several thousand stalwarts are expected to set out on either the 11 kilometre "easy" route or the 22km. "long" route to the city.

Marchers are expected to block the entry to Jerusalem during the morning — effectively cutting off the city from the coastal plain.

For those still with energy to burn the marchers will parade along Jaffa Road in the afternoon where they will be joined by 5,000 people taking part in the annual Christian Feast of Tabernacles celebration.

## Defence Ministry assistant moves to industry

Jerusalem Post Reporter  
Uri Bar-On yesterday ended a three-year stint as assistant to the defence minister on settlement matters. Zvi Ben-Moshe has been named to replace him.

Bar-On, who was thanked by Minister Yitzhak Rabin for his work at the Defence Ministry, has been named as the industry and trade minister's assistant for development areas.

## Rabin won't block Hebron celebration

Jerusalem Post Reporter

Defence Minister Yitzhak Rabin has rejected a bid from Peace Now to prevent Jewish settlers in Hebron from holding a Simhat Tora celebration in the city on Thursday evening.

Peace Now claimed that the celebrations were "pure provocation" for the majority Arab population in the city. The celebrations were clearly going to be used as an expression of support for accused members of the Jewish terrorist organization now standing trial and were therefore illegal, the movement argued.

Rabin, in rejecting their request, said that his decision was based on a precedent which allowed the settlers to hold the traditional hakofot in the city. The military authorities were under instruction to ensure that the celebrations took place within a small area around the Avraham Avinu synagogue, he said.

The army would also prevent any disturbance to the well-being of the Arab residents, Rabin added.

## IDF families meet South Lebanese

By MENAHEM HOROWITZ  
Jerusalem Post Reporter

MARJAYOUN. — The families of dozens of officers serving in Lebanon yesterday were taken on IDF-conducted tours of this Christian city and of the Shiite city of Al-Khiam.

IDF liaison officer for South Lebanon Tati Aluf Shlomo Ilya expressed the hope at a meeting with the visitors that such visits by Israeli women and children to South-Lebanese communities would improve the working relationship between the IDF and residents of Southern Lebanon. He said the IDF is looking to reduce its forces in Lebanon to a minimum and to hand over areas to the South Lebanon Army.

SLA commander Antoine Lahad told the assembly he did not intend to treat the seven Druse being held in connection with the Sukmouk massacre with severity, but added that if the SLA ever gave reason for the South Lebanese to be afraid he would disband it and return to Beirut.

## WIZARD

(Continued from Page One)

while the purchasing power of their wages will diminish.

But this fans inflation, since the storekeepers take advantage of the buying spree at the beginning of the month and raise prices, he said.

The manufacturers help workers by giving them advances on account of their next paycheque. "But this imposes a burden on our cash-flow problem." Paying weekly would only worsen the inflation problem, he said.

Asked if the manufacturers are not profiting from the situation, the director of one large plant said, "If so, it doesn't show up in our profit-and-loss statements. The overwhelming majority of manufacturers are showing losses, and anybody who breaks even — not to talk of a small profit — feels like a wizard."

Asked if the losses were not due to "creative bookkeeping," this manufacturer admitted that "I've heard of cases where a clever accountant can exploit loopholes in the law on taxes on inflationary profits."

The solution to the entire problem, one director-general believed, is to exploit the "few months' grace the American government has given us (on Israel's debts) to set our house in order. Our foreign-currency reserve problem has been solved off for a few months, at least. We should take the most important step of cutting \$1.5 billion from the national budget. So far, there has been more talk than any real cuts."

The second step, he said, is to maintain the wage cut of the workers "in real terms" no matter how hard it hurts them. "Then we must reach a package deal among the government, the manufacturers and the Histadrut, freezing taxes, prices and wages."

Then the country would begin functioning again more or less at a normal level, with inflation steadily dropping. But "the standard of living will be 10 to 12 per cent under our present one," he said.



Members of the Association of Former Prisoners of Zion and the World Committee to Save Soviet Jewry hold a sit-in yesterday in front of the Finnish Embassy in Tel Aviv, which represents Soviet interests here. The top banner reads: "Zion, will you not ask about the welfare of your prisoners?" (IPPA)

## Vice finally wins game of the name

By DAVID LANDAU  
Post Diplomatic Correspondent

Yitzhak Shamir's official title is now vice prime minister and minister for foreign affairs. This was announced by Cabinet Secretary Yossi Beilin yesterday, following clarifications between the cabinet office and Shamir's aides.

When the unity government was first formed, Shamir's aides wanted him to be designated "prime minister alternate and minister for foreign affairs." Instructions to this effect were issued to government departments and cables to embassies abroad.

But reservations were voiced by legal and protocol experts, and by aides to Prime Minister Peres. Peres will

hold the title after the "rotation" between the two men 24 months from now.

The Jerusalem Post, in consultation with eminent experts, dubbed Shamir vice prime minister, and referred to Yitzhak Navon and David Levy as deputy prime ministers.

The Post's practice has now been adopted by everyone concerned — and the cabinet secretary's announcement makes it official.

Yesterday the Government Press Office was still referring to Shamir as "prime minister alternate," but new instructions are expected to be issued to all government departments enshrining vice prime minister as the authorized government parlance.

## Katz trial defence raps 'media conviction'

HAIFA (Itim). — Two defence attorneys in the Danny Katz murder trial yesterday accused the media of "convicting" the defendants and complained that Deputy Knesset Speaker Meir Cohen-Avidov had reportedly asked the General Security Services to investigate the funding of the defence in the trial.

Hashem Dalasha and Ramzi Hurani, who were appointed to defend Ahmed Kuzli, said in District Court here that, according to a news-

paper article which appeared on October 9, Cohen-Avidov had asked the GSS and the income tax authorities to look into funding of the defence, without distinguishing between court-appointed defence attorneys and others.

The two also claimed the article implied the defence was being funded by the PLO.

Kuzli is one of five men accused of murdering 15-year-old Katz in Haifa last December.

Dalasha, saying the press had portrayed him as "representing a despicable murderer" and that people looked at him hatefully in the street, told the judges that he was not sure he would be able to continue to represent his client.

Court President Avraham Friedman told Dalasha he could complain to the Press Council and the attorney general, but that the court did not believe Dalasha should give in to pressure by resigning.

## First stage of country club open to the public in Haifa

By DAVID RUDGE  
Jerusalem Post Reporter

HAIFA. — The first phase of a \$3.5 million country club project in Naveh Sha'anun has been opened to the public, the developers announced yesterday.

Some 200 families have already become members and the Nofesh Pail developing company is negotiating with about 20 firms, including several banks, which are considering enrolling their employees, said Nofesh Pail's chairman and general manager, Uri Heilbronn.

He hopes that by next April the number of subscriptions will have reached the capacity level of 2,000.

The developers had intended to open the centre, known as the Haifa Sports Club, by the end of June, but Heilbronn said that works was delayed by "technical problems."

The first stage of the project includes a large swimming pool which will be heated during the winter, a health club, gymnasium, four tennis courts, cafeteria and changing rooms and washroom facilities.

Heilbronn said two more tennis courts and a court for roller skating and basketball are to be completed by the end of this month.

Equipment used to heat the swimming pool in winter will also freeze water on the multi-purpose court to convert it into an ice-skating rink, reportedly the first of its kind in the country.

Later phases of the complex, which covers a 52-dunam plot near Derech Ya'acov Dori, will see the opening of more tennis courts and the completion of the main building with a disco, community hall, tennis bowling alley, rifle range and other facilities. A caravan and camping area is also planned.

"This is the first time that Haifa residents have a centre that combines under one roof a wide range of sports, social and cultural activities," said Heilbronn.

Subscriptions range from \$950 a year for a family with two children to \$3,180 for five years for a family, with no restriction on the number of children.

## Irish defence minister: SLA is not needed

Ireland will keep its units in South Lebanon as part of Unifil despite its dissatisfaction with the presence of the South Lebanese Army in the area, Irish Defence Minister Patrick Cooney said yesterday at Ben-Gurion Airport at the end of a visit of several days in Israel.

Cooney, who visited Irish Unifil units in South Lebanon and met Irish observers in Beirut, Damascus and Cairo during his tour of the Middle East, said he saw the SLA as an unofficial army which had no place in South Lebanon and which should be disbanded. SLA units could join the Lebanese Army, Cooney said.

but that was for the Lebanese government to decide.

Cooney added, however, that as a "loyal member" of the UN, Ireland would continue to participate in Unifil, even if it is "not happy" with the SLA's continued presence in South Lebanon.

Cooney met Defence Minister Yitzhak Rabin on Sunday. Rabin, the Irish defence minister said yesterday, had told him that Israel wants to withdraw from South Lebanon and expects that UN forces will take over areas where the Israel Defence Forces are currently deployed. (Itim)

## Woman lights candles — and succa burns down

SAFAD (Itim). — One of the largest and fanciest succot in Safad's Old City went up in smoke Sunday evening when the woman of the family owning the succa accidentally set fire to the roof while lighting candles. By the time the fire brigade arrived, the Malka family's succa, and the household tables and chairs they had put in it, had been completely destroyed.

Safad firemen said most succa fires are caused by carelessness, but also recommended making the roofs from materials which do not dry up, such as palm or cypress branches or bamboo's chach lamet'ach.

One possible solution to this problem is changing part of the woman's blood with a technique similar to the dialysis of kidney patients, to bypass the immunological block, Ser said.

## RAMAT-GAN MUNICIPALITY

Invites Israelis and visitors to attend

"DENMARK DAY"

on SUNDAY, October 21, 1984

Marking the rescue of Denmark's Jews from the Nazi Holocaust in October 1943

\* 10.45 a.m. — Dedication of "Denmark Park" (Gan Ha'Zehrut, Shikun Ha'Vatikani)

Attended by: Prof. NYBOE ANDERSEN, former Danish Minister of Commerce

The Ambassadors of Denmark and Sweden

The Mayor, Uri Amit, and the Deputy Mayor, Tamar Schachar

\*\*\* THE ISRAELI POLICE BAND, conducted by COL. MENASHE LEV-RAN

\* 8 p.m. — Festive Gathering, at Kfar Ha'Maccabiah

Attended by: The Danish Guests

Mr. Gad Ya'acobi, Minister for Economic Planning

\*\*\* THE RAMAT-GAN CHILDREN'S MOUTH-ORGAN ORCHESTRA, conducted by MAESTRO SHIMUL GOGOL

\*\*\* A recital by CHRISTIAN SPILLENMOSE, Danish Pianist

THE PUBLIC IS INVITED

URI AMIT, Mayor

TAMAR SCHACHAR, Deputy Mayor

**The Israel Sinfonietta**  
Beersheba  
Music Director: Mendi Rodan

**LASZLO HELTAY** (England) — Conductor  
**OSCAR GHIGLIA** (Italy) — Guitar

Hayden: Symphony No. 48 in C Major  
Maria Theresa  
Giuliani: Concerto for Guitar and Orchestra Op. 30  
Pavane  
Poulenc — Sinfonietta (Israeli Premiere)  
\* Jerusalem: Jerusalem Theatre — Tuesday, October 16, 1984  
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## 'Pravda' scores cover-up of official's orgy

MOSCOW (Reuters). — The Soviet daily *Pravda* yesterday condemned the cover-up of a scandal involving a senior police chief, in an article demanding more honesty and openness in reporting the misdemeanours of senior state officials.

The Communist Party newspaper charged that Alexander Kovinyev, deputy head of police in the industrial region of Kursk, had organized a "debauched party" in the course of which a young woman fell from a third-floor balcony.

It said the young woman had been taken to hospital with head injuries but apart from hinting that something akin to an orgy had been going on, the paper gave no clue as to how she had fallen over the balcony.

When a patrol car arrived to in-

vestigate the incident, the duty policemen turned round and walked away as soon as they realized one of their bosses was involved, *Pravda* said.

Kovinyev's high connections not only ensured that the affair was hushed up, but enabled him to retire with honours, instead of being sacked, and to take up a respectable job as head of a state trading organization, the paper reported.

The article said the affair had taken place recently, but gave no further details.

*Pravda* said the case was typical of the way potentially embarrassing incidents were thoroughly covered up and the guilty protected from facing the normal legal consequences.

The *Pravda* report, written from

Kursk, also cited another case of leniency towards a high-ranking offender.

It said a district Communist Party leader had been sacked from his post after getting involved in a drunken brawl with a local police chief in which the latter broke his leg.

But shortly after his dismissal the party chief, Igor Vasilyev, re-emerged in a more senior role as deputy head of agriculture for the entire Kursk region, *Pravda* said.

**CHALLENGE** — Australian opposition leader Andrew Peacock yesterday challenged Prime Minister Bob Hawke to meet him face-to-face in an American-style television debate before the December 1 general election.

## Nobel Prize awarded to three immunologists

STOCKHOLM (Reuters). — Three immunologists whose research could lead to cures for diseases ranging from the common cold to cancer share the 1984 Nobel Prize for Medicine.

The Karolinska Institute here said the three — London-born Niels Jerne, West German Georges Kohler and Argentine Cesar Milstein — were honoured for their work on the immune system, which defends the body against infection, and "the discovery of the principle for production of monoclonal antibodies."

The prize, created under the will of Swedish inventor Alfred Nobel, is worth \$190,000 this year.

The Institute said Jerne was the great theoretician of immunology while Kohler and Milstein had developed practical techniques for producing monoclonal antibodies, which can be used to give lifesaving immunity against specific diseases.

"Monoclonal antibodies have opened up completely new fields for theoretical and applied research and allow precise diagnosis and also treatment of disease," the Institute said.

Now a British citizen, Milstein, 57, told BBC Radio from his laboratory at the Medical Research Council Centre in Cambridge that the award was "a bit of a dream, for a scientist to get to a stage of recognition of this sort."

"It was a bit like a bomb. I am not altogether surprised because there had been rumours before, but I am shattered," he added.

The Institute said Jerne, born in London in 1911, had devised theories on the natural production of antibodies which had led to new

insights into how the body combats infection from bacteria and viruses.

His work has been applied medically in transplant surgery and in the treatment of certain tumours and allergies.

Milstein and Kohler, 38, developed a technique involving the fusion of mouse cells with human cells to produce a cell known as a hybridoma, which is then cloned — induced to produce enormous quantities of the antibody which combats infection.

The Institute described the technique as "one of the most important methodological advances in biomedicine during the 1970s."

It added: "The availability of monoclonal antibodies has opened completely new possibilities for basic as well as applied bio-medical research."

Jerne, who studied at the University of Copenhagen, has worked at research institutes in Europe and the United States as well as for the World Health Organisation.

Kohler, the youngest of the trio, was born in Munich and studied biology at West Germany's Freiburg University before becoming a member of the Basel Institute for Immunology in Switzerland.

**Ryle, Nobel physicist dies**

CAMBRIDGE (Reuters). — Sir Martin Ryle, winner of the 1974 Nobel prize for physics and a leading British campaigner against nuclear energy and nuclear weapons, has died after a long illness. He was 66.

He was a pioneer of radio astronomy after World War Two, setting up a research team in Cambridge University to develop ideas arising out of wartime work in radar.

## Black S. African clergyman favoured

OSLO (Reuters). — Black South African church leader Desmond Tutu is the favourite to win the 1984 Nobel Peace Prize over 82 other candidates, including Argentine President Raul Alfonsin and Austrian Nazi hunter Simon Wiesenthal.

The winner of the world's most prestigious human rights award, for

the person who has done the greatest service to mankind in the past year, will be announced today by the Norwegian Nobel committee.

Bishop Tutu, 53, general secretary of the South African Council of Churches (SACC), has been nominated for the peace prize several times before.

## London on 'black alert'

LONDON. — Police yesterday stepped up security around Prime Minister Margaret Thatcher, her top ministers and government buildings following Friday's IRA bombing.

Downing Street, where the prime minister has her official residence at No. 10, was sealed off and everyone entering the narrow sidestreets was checked.

Officials said the Houses of Parliament, all government and military establishments were put on "black alert," a high alert status, amid police warnings the bombing may have been the start of a new IRA blitz on the British mainland.

Officials declined to give details of the security operation. But one official source, who declined to be identified, said Mrs. Thatcher's personal bodyguard had been "expanded" in the tightest security operation ever known.

Thatcher, 59 on Saturday, was heavily guarded by armed security men at Chequers, her country retreat west of London, where she went after narrowly escaping death in the bombing of the Grand Hotel in the south coast resort of Brighton.

Thatcher said yesterday that the bomb attack aimed at her and senior ministers would not alter the British

tradition of government contact with the public.

"We must never, never, never be stopped from going among the people by a few men of violence, because that is just what they want," Thatcher said in a live television programme from her official Downing Street residence.

Meanwhile, police were yesterday checking through the guest lists of the hotel after pinpointing the location of the bomb.

They were working on the theory that the bombers, who almost succeeded in killing Mrs. Thatcher and top cabinet ministers, might have checked into the hotel and planted the explosives several weeks ago.

Police said they believe the bomb, fitted with a sophisticated microchip timing device, was planted on the sixth floor of the hotel, behind a bath panel between rooms 628 and 629 — directly above Thatcher's first floor suite.

Thatcher escaped injury but MP Sir Anthony Berry and three other people were killed and 30 injured — including Trade and Industry Minister Norman Tebbit. An inquest into the deaths was opening yesterday. (AP, Reuters)

## Ceausescu, Kohl open talks

BONN (Reuters). — President Nicolae Ceausescu of Rumania began talks with West German Chancellor Helmut Kohl yesterday on East-West relations and bilateral problems at the start of his three-day state visit to West Germany.

Ceausescu is the only one of three East European leaders to accept Kohl's invitation this year and the first Warsaw Pact head of state to visit a member of the NATO military alliance since it began deploying medium-range missiles in Europe last December.

Foreign Minister Hans-Dietrich Genscher and his Rumanian counterpart Stefan Andrei joined the talks at the Chancellery, where issues are expected to include shrinking trade and the problem of ethnic Germans who wish to leave Rumania.

Unlike East German leader Erich

Honecker and Bulgarian President Todor Zhivkov, who cancelled visits to West Germany last month under apparent pressure from Moscow, Ceausescu has ignored a recent Soviet campaign against Bonn.

In a speech welcoming the Rumanian leader, West German President Richard von Weizsaecker said the visit showed the importance both sides attached to their relations.

The Rumanian leader, who has long maintained a degree of independence from Moscow in foreign policy matters, stressed in a newspaper interview the role European countries can play in securing peace "without waiting" for the superpowers.

He told the West German daily *Die Welt* it would have been a good thing if NATO and the Warsaw Pact had never existed.

## Left-wing group says it bombed Brussels building

BRUSSELS (AP). — A bomb explosion heavily damaged a four-story building housing the offices of several conservative organizations in downtown Brussels early yesterday. No injuries were reported.

Responsibility for the bombing was claimed some hours later by an obscure left-wing group, Cellules

Communistes Combattantes, (fighting Communist cells) in a telephone call to RTBF, the national French-language radio network.

It was the fourth bombing in 13 days for which the group claimed responsibility. RTBF quoted the caller as saying the bombing was to protest against conservative policies.

## Rude language intrudes into U.S. campaign

WASHINGTON (Reuters). — The Democratic challengers are sharpening their knives for Vice-President George Bush in the hope of closing the wide gap in their bid for the White House.

Walter Mondale and running mate Geraldine Ferraro are both making issues out of remarks by Bush in hope of picking up much needed votes.

A generally polite campaign has suddenly adopted an edge of bitter-

ness, a mood that perhaps prompted Reagan to remark uncharacteristically, "The hell he is," when a heckler shouted "Mondale's the man" at a recent campaign meeting.

Mondale's aides say he will demand an apology from the president during their second televised debate on Sunday for a remark by Bush that alleged the Democrats believe that U.S. Marines killed in a bomb attack in Lebanon had died in shame.

Ferraro said a Bush remark that

## Sports

### Tigers devour Padres

By JOHN NELSON

DETROIT (AP). — The Detroit Tigers capped a classic runaway season and captured their first U.S. baseball World Series since 1968 by defeating the San Diego Padres 8-4 on Sunday in the fifth game, as Kirk Gibson drove in five runs with two homers.

Gibson's second homer, in the eighth inning, came off relief ace Rich "Goose" Gossage, who had not allowed a run in seven previous World Series appearances. Lance Parrish also homered off Gossage in the seventh inning.

The victory completed a three-game sweep of the Padres at Tiger Stadium after the two teams had split at San Diego.

It was the first time the Tigers had won a World Series at home since 1935. They also won the Series in 1945.

The American League champions in the final game untracked a potent offense that led the major leagues with 829 runs and 187 homers during the season. They combined the timely hitting of Gibson in this game, Alan Trammell throughout the Series and two complete-game victories by Jack Morris to dominate the Padres. Trammell went 0-for-4 on Sunday, but he still hit .450 with six RBI in the Series.

The Tigers also took advantage of weak Padre fielding and base-running to turn a game that was tied at 3-3 into a runaway. Sparky Anderson of Detroit thus became the first manager to win World Series titles in both leagues. Anderson managed Cincinnati of the National League to World Series titles in 1975 and 1976.

The Tigers finally saw their starting pitching fail in this game — a problem that had plagued San Diego throughout the Series — but Aurelio Lopez bailed the Tigers out with some over powering relief, and Willie Hernandez finished up.

Gibson, the most valuable player in the American League play off,

had slumped early in the Series but he quickly made up for it with a two-run, upper-deck homer in Detroit's three-run first inning. He then scored from third on a shallow fly ball to right field to break a 3-3 tie in the fifth inning.

Left-hander Mark Thurmond lasted only one-third of an inning for the Padres, giving up those three first-inning runs, but the telling run came off Andy Hawkins, who had pitched 12 innings of relief in the Series before giving up a score.

When Thurmond left, San Diego starters in the five games had worked a total of only 10 1-3 innings, giving up 16 runs for a 13.44 earned run average.

Gibson led off the winning inning with a single off the glove of Padres third baseman Graig Nettles. He went to second on a fly to deep left field, and Hawkins then walked Larry Herndon on four pitches. That was it for Hawkins, the bulwark of what had been the Padres' strongest point during the Series — their bullpen.

Craig Lefferts relieved Hawkins and walked Chet Lemon to load the bases. Pinch-hitter Rusty Kuntz then hit a pop-up to shallow right field. Tony Gwynn moved in from his outfield position, and second baseman Alan Wiggins moved out. Wiggins called Gwynn off the ball and made the catch while still back pedalling.

Wiggins stopped his momentum and threw, but it was too late to catch Gibson racing home with the clinching run.

Lopez, meanwhile, entered the game with one on and two out in the fifth inning and struck out Kurt Bevacqua to retire the side. He struck out four and didn't allow a hit the rest of the way.

The victory capped a season that saw the Tigers become only the third team, and the first since the 1927 Yankees, to begin and end the season in first place. The Tigers won a club record 104 games, clinched the American League east on September 18 and swept Kansas in three games in the league play-off.

## Celebration of arson, murder

DETROIT (AP). — Hundreds of fans roamed streets blockaded by buses early yesterday as police tried to limit World Series victory parties that left dozens injured, at least 34 arrested and streets littered with burnt-out cars and debris.

Thousands of fans poured into downtown streets Sunday night when the Tigers beat the San Diego Padres 8-4 to win their first series appearance since 1968.

One man among the throng was shot to death, police said.

A police car and a taxi were torched in hours of violence that forced authorities to close a park, an office complex and freeways leading downtown.

A man walked to an overturned taxicab outside the stadium, removed the petrol tank cap, and tossed it in a match. The cab burst into flames with a roar. Later, the crowd tossed a motorcycle into the fire.

"I know there were some rowdy fans tonight," said Pam Collins, 23, of suburban Royal Oak. "But this is the World Series, and you've got to expect some kind of rowdiness."

Scores of police, some clad in riot gear, some brandishing broken boards, struggled more than two hours after the game ended to control the crowds.

One police car was burned and two sustained major damage, and four officers were treated for minor injuries. Police said 32 adults and two juveniles were arrested on charges ranging from disorderly conduct to robbery.

About three hours after the game, police closed the downtown Renaissance Centre, an office, hotel and retail complex. Freeways leading into the downtown area were closed to all but emergency vehicles.

Meanwhile, in Manhattan, Kansas State University officials condemned a drunken victory celebration in which thousands of football fans poured onto the street, some pelting police with rocks and debris.

The disturbance, in which more than 20 people were injured and 20 were arrested, followed by eight days a melee at Purdue University in Indiana in which 1,000 students hurled rocks and looted after a beer blast the night before a football game.

The violence erupted early Sunday when as many as 8,000 people gathered near campus to celebrate the Wildcats' 24-7 victory Saturday over the arch rival University of Kansas Jayhawks.

## Doron's triumph

By JACK LEON

HAIFA. — Unseeded Tivon girl Sagit Doron got the \$10,000 Gail women's pro-tennis tournament here off to a most eventful start yesterday, with a 6-2, 0-6, 6-1 first-round singles triumph over No. 1 seed Eva Krapf, of Switzerland. No less than three more seeds bowed out with Krapf — Britain's Cath Drury (No. 4), French girl Nathalie Phou-Thanh (6) and Drury's compatriot Jo Louis (8).

Doron, 19, needed 2½ hours for her career-best victory over her 18-year-old opponent, a Swiss women's top-seeded and Wimbledon Junior semi-finalist in July. After a tie-break contest in the first two sets, she routed off five games in a row in the third to settle the issue. Of the six other Israeli starters, only winners were Orly Blatnick and Roshdy Blatnick. Among the seeds, there were successes for West German Gabriela Dinu (No. 2), Sweden's Elisabeth Ekstrom (No. 3) and Marlene van der Torre, of Holland (No. 7).

## SCOREBOARD

TENNIS. — Anders Jarryd of Sweden stunned Ivan Lendl of Czechoslovakia 6-3, 6-2, 6-4 to take the final of the \$225,000 Australian Indoor Tennis Tournament, Jarryd's first Grand Prix victory. He completely outplayed Lendl, who had only lost 18 games in all his previous matches in the tourney. Earlier Jarryd ousted Ben Testerman 6-2, 2-6, 7-6. He also won the doubles, partnered by Hans Simonsson.

Another Swede, Michelle Torrens, aged 17, won her first Virginia Slims title one month after turning pro. She beat Caroline Brett of Canada 6-1, 7-6, 6-0. In the \$100,000 Florida Federal Tennis Open in Tampa Springs, Fla., in Tokyo, David Pate vanquished Torrens 6-3, 7-5 to win the \$195,000 Japan Open. Jimmy Arias beat Gene Mayer 7-6, 6-7, 6-1 in the final of the \$150,000 Du Pont All American Tournament.

NFL. — Pittsburgh 20, San Francisco 17; Miami 28, Houston 10; Washington 34, Dallas 14; Seattle 31, Buffalo 28; Los Angeles Raiders 23, Minnesota 20; New York Giants defeated Atlanta; Detroit beat Tampa Bay; the Los Angeles Rams routed New Orleans; Philadelphia beat Baltimore; St. Louis outlasted Chicago; New England edged Cleveland; Kansas City overcame San Diego.

SOCCER. — Portugal beat Czechoslovakia 2-1 in a World Cup qualifier; Vietnam defeated Juventus 2-0 in the Italian League.

BRANDT'S VIST. — Willy Brandt, former chancellor of West Germany and current president of the Socialist International, was welcomed by Cuban President Fidel Castro when he arrived in Havana, a member of 4 Latin American tour. Brandt said yesterday.

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Photograph: N. Siffert

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Context



Some of the German youngsters with their Israeli correspondents at a reception given by the West German ambassador...from left: Frieder Angern and Claudia Schulz; Anne-Kathrin Lucas and Mordechai Dessaur; Wolfgang Vetten-Schumann and Mrs. Henny Meyersbach.



Wolfgang Vetten-Schumann and Mrs. Henny Meyersbach. (Photographs: Andre Brunnmann)

# A CORRESPONDENCE OF HOPE

By ERNIE MEYER / Jerusalem Post Reporter

THE QUESTION on everyone's mind was: will he show up or won't he?

The "he" in question was Mordechai B. Dessaur, the man who in the spring of 1981 wrote a letter to *The Jerusalem Post*, in which he said: "Yes, I still hate the Germans and all those who deal with them."

The people doing the wondering were the 15 German high school pupils and their three teachers, who responded to his letter and who yesterday ended a two-week tour of Israel.

In their reply to the "I still hate" letter, they told *Post* readers that: "We know that the Nazi crimes inflicted unimaginable sufferings on the Jews. But we were astonished that feelings of hatred like those mentioned in Dessaur's letter are transferred to all Germans, even to young people like us. At the time of the Nazis, we were not yet born, and therefore our generation cannot be blamed for the Nazis' crimes. We are dismayed and wonder what is necessary to overcome this hatred."

The tense wondering took place last week at the Herzliya Pithul residence of the German ambassador, Dr. Niels Hansen. He had asked the young visitors to a reception, along with 25 Israeli residents among the 34 people who had responded to the youngsters' letter.

THE BUS with the visitors pulled up at the spacious villa punctually at five in the afternoon. About 10 of the correspondents, aged 60 to 84, trickled in soon after. A few had visited the German youngsters in their home town of Erkrath, near Duesseldorf. They now greeted the 18- and 19-year olds with the effusion of doting grandparents. Some of the others had only met the youngsters a few days before, during their current visit here.

The ambassador stood in the middle of the strangely contrasting group of fresh-looking youngsters and people-with-a-past, facing old age. "This meeting goes to the heart of German-Israeli relations," he said, speaking in his slow, deliberate and thoughtful manner. "For me, the past is still incomprehensible. There is no collective guilt, only collective hatred," he said.

"I am grateful to the majority of Jews, who as evidenced by their correspondence, fought through to a generous forgiving attitude," he continued. "Dessaur wrote me a letter, saying that he is emotionally not up to being present here tonight. I called him on the telephone last night, asking him to come, and he said that he would think about it. It would be a breakthrough, if he did come," the ambassador concluded. The phone call couldn't have been an easy decision for him.

AND THEN suddenly, he was there.

The Israeli TV crew (working for the Germans) and the German radio reporter accompanying the visitors, seemed to know instinctively that

this was HE. They aimed their camera, pushed their microphones into his face.

"Mr. Dessaur, how do you feel?" they asked.

"Strange, funny."

"Do you still feel the way you did?"

"Yes."

Dessaur was different from the other correspondents. For one thing, he was younger. One might have expected a septuagenarian, nursing his bitter memories along with his physical ills. But Dessaur, at 48, exuded vitality and health. His youthful appearance was heightened by his full head of brown hair and a macho moustache. A bit later, it emerged that he was a charming talker and had a ready smile.

Born in Holland, Dessaur was in hiding from the age of six till the end of the war, when he was nine. Sometimes he was together with his parents, who also survived, sometimes he was separate. He left Holland for Israel in the 1950s, when he was liable to be called up into the Dutch army. "I could not face the possibility of having to serve under a German officer within the Nato framework," he told *The Post*. "But after Israel's reparations agreement with Germany, I almost decided to go back," he added.

After serving in the paratroops here, he worked until recently as a chief steward for El Al. He is now engaged in another branch of the tourist industry.

Question: "Did the correspondence with the Erkrath youngsters change your attitude towards the post-war German generation?"

Answer: "No, the argument could go on forever. It's an emotional matter. It's my own internal struggle. The kids can't help me. They'll never understand me - but I understand them."

At this point, his attractive blond wife joined the conversation. "Mordechai gets upset with every letter," Cairo-born Batya said.

"Yes, she's the smart one in the family; she calms me down," Dessaur added.

"Why did you come tonight, after all?"

"Ambassador Hansen called me and spoke to me very politely. His call impressed me. I couldn't refuse."

BY THIS time some of the Erkrath youngsters, guessing the identity of the latecomer by the attention given him by the TV crew, came and joined the group. The first to address him was pretty Anne-Kathrin Lucas, who had really set the whole episode in motion.

In the spring of 1981, Anne-Kathrin's older sister was on a bicycle tour of the Middle East, and she saw and clipped Dessaur's original "Yes, I still hate the Germans" letter from *The Jerusalem Post* and mailed it home.

Anne-Kathrin was perplexed and disturbed by the letter. She took it to school, where her German and history teacher, Lydia Munkler, was sufficiently sensitive to present it for

discussion to the entire class of boys and girls, then aged 15 to 16. As a result, the return letter to *The Post* was composed by the class. It drew a flood of replies.

Anne-Kathrin and a few of her friends now faced Dessaur and asked him some polite, noncommittal questions. He understood their German, but preferred to answer in English.

Question: "How are you? I'm glad you came. I didn't expect you to come."

Answer: "I didn't either."

As the atmosphere thawed a bit, Dessaur told the youngsters that he

(art and education), both 39. The decision was taken to publish all the 34 letters in book form, and to set up a travelling exhibition, based on the correspondence.

At the reception I cornered art and education teacher Vetten-Schumann, who in contrast to fast-talking, wise-cracking Lydia Munkler seemed a quiet, reflective person. My question was basic and simple: what, if anything, predestined the class at the Hochdahl Gymnasium near Erkrath to react as it did? The fact of a Holocaust survivor disliking the Germans, even the post-war gen-

slippery.

What about the reaction of fellow teachers and the principal? All positive and entirely supportive, was the answer. The same applies to the youngsters themselves, who will report on their trip to their fellow students. A trip abroad, incidentally, is more or less routine for the Abitur-matriculation class during their autumn vacation, although the distance, to Israel, is unique.

The students contributed about DM450 each to pay for the trip, while other support came from the state government of North Rhine-

Dear Marike Alberts and your fellow students,

I was touched and very happy to read your letter in the "Jerusalem Post." Some young Germans come to Israel to try to make up for the crimes their parents committed against the Jews. That, and your letter, are two signs of hope that such crimes may not be committed again. I think that what is necessary to overcome the hatred of some Jews against all Germans, is for you young people to learn about what happened in Germany and to the Germans in the time of the Nazis. We Jews who are not in Germany, hear many stories of continued hatred of

creation, is not new.

Vetten-Schumann's answer, as far as it went, was that all three teachers are intensively "engaged" in social questions. In fact, the entire school is oriented that way. "But so, no doubt, are many other high schools," I pressed on. Perhaps it was the real dismay of the pupils at finding that they were actively hated by somebody, he offered. They were not only puzzled, but also offended. Possibly it was all no more than a lucky accident, "eine Sternstunde des Lebens," one of life's star hours.

Later during the evening I noticed one of the girls, Birgit Fiegeler, in animated conversation in French with Dessaur. They seemed no different from any other two people, nursing a drink and enjoying each other's company at a cocktail party.

I ASKED Anne-Kathrin Lucas to sum up her impression of the group's meeting with Dessaur. "It shows that our work has been of some help," she said with a smile.

The feeling was shared by Marike Alberts, 19, in whose name the letter to *The Jerusalem Post* had been sent. The letter had been approved unanimously by all the 25 pupils in the class, but Alberts had been chosen to sign it, because alphabetically her name headed the class list. Incidentally, her first name mistakenly appeared as Marike, and that is how all the correspondents addressed her, although it really is Mareike, it was impressed on me.

As the work of handling the snow-balling correspondence grew, back in 1981, Lydia Munkler was joined by two of her colleagues, Frieder Angern (social science and religion) and Wolfgang Vetten-Schumann

Before the visits of eight of the letter-writers to Erkrath and before the first organized meetings with youth of the Duesseldorf Jewish community the 25 pupils of class 10E had never even met a Jew. So much for fathoming a "reason" for the phenomenon. There can be little doubt, however, that the way things developed reflected the awareness and spunk of Lydia Munkler, and something deeper hidden behind her

THE RACING around included a briefing at the Foreign Ministry, a visit to Yad Vashem (some of the students had been to the Dachau and Bergen-Belsen memorial sites), a meeting in Tel Aviv with young members of the Germany-Israel Friendship Society, and a similar meeting at Beit Rutenberg in Haifa.

The book and the travelling exhibition that led to the present trip took the pupils and their teachers two years to prepare - mostly in their spare time. The 112-page, album-size book reproduces all the 34 letters they received in original size. It was very handsomely published by Der Kleine Verlag, of Duesseldorf, under the title "Letters to Young Germans - Jews reply to German high school pupils following a reader's letter in *The Jerusalem Post*."

There are plans to have it translated into Hebrew.

The 14 panels of the exhibition reproduce some of the letters, with German translation, where necessary, and additional material on the Nazi period. The exhibition has so

far been shown in 15 high schools and is booked at other schools till next March. Its opening last winter was under the patronage of the Prime Minister of the State of North Rhine-Westphalia, Johannes Rau, and Israel's Ambassador to Bonn, Yitzhak Ben-Ari. It was reported in an article in *The Post* on January 2, 1984. The German news media gave the exhibition a good deal of attention.

Only three of the 34 letters can be described as "negative." A keynote perhaps struck by a correspondent from Australia, a former Viennese, who says simply: "Dessaur does not speak for me." A recurring theme is that there should be no *Sippenhas* (collective hatred for entire groups or races of people) and certainly no hatred for a generation that was not yet born when the Nazi crimes were committed.

QUITE A FEW of the correspondents bring up the negative example of the Jews being cast in the role of Christ-killers. As a direct result of this, they firmly reject the notion of any group of people (the young generation of Germans) being held responsible for deeds that occurred before their birth.

A thoughtful letter is that of poet Teddy Arnold, of Binyamina. He writes: "I personally cannot hate people collectively... My feeling towards Germans as a people is one of unease, a shudder of the soul, but not hate."

He compliments the Hochdahl high schoolers "for not taking national hatred for granted, and wanting to do something about it."

He included in his letter one of his poems, "The New Germans."

I will not sit in judgement over you. The burden is too heavy for my back. What is there between Heaven and Hell and Earth To wash you clean of Dr. Mengele?

Your clean new faces Are innocent of guilt, and of remembrance. I will not hate you, and I cannot love you, For I remember when your fathers' faces Were clean and new.

There is one single thing I ask of you: Do you not climb the judgment seat. Do you not tell us Of right and wrong. It is A load too heavy for your backs.

A MOVING letter is that of Andre Koenig, who lost his first wife and his only child in Auschwitz. Many of the correspondents supplied photos of themselves. Koenig included a picture of his little Annie, who was 12 when she was gassed. Over the Gulf of the decades, a hint of the beauty and charm of the child still comes across.

Yet Koenig writes: "I can tell you that it never came in my mind to hate Germans generally."

He was beaten so badly in a camp

attached to the Junkers factory near Halberstadt in Germany that he was in a sort of coma when the Americans liberated the place. Asked where he wanted to go, he said that his wife and daughter were waiting for him in Nancy in France, where a brother of his had once lived. The Americans took him there. After three months he regained his faculties and then "I knew that I was in a foreign country and had nobody."

A native of Hungary and a photographer by profession, Koenig eventually moved to New York, where he remarried, but had no more children. Now 84, he came to Israel nine years ago.

TWO MONTHS ago Koenig visited the high schoolers in Erkrath-Hochdahl and stayed three weeks at the house of one of the girls. "I did not receive so much love in many years," he told *The Post*. Last week eight of the boys and girls came to his home and presented him with an album of photos commemorating his visit in Germany.

Many of the correspondents ended their letter with personal invitations for the youngsters to come and see them in Israel. Several also touched on the Arab-Israeli problem. One woman describes in her four-page typewritten letter the screams in the night she often hears from a neighbouring flat, which is occupied by camp survivors.

Although generally conciliatory, she ends by saying: "God help you to live with the guilt of previous generations. Such a history is probably overwhelming you all."

At the ambassador's reception letter-writer Robert Greengard, 65, a retired pharmacist from the U.S., living here since 1971, sounded a note of caution. "There is some danger in this light-hearted contact. We should not let the students forget that while they are quite guiltless, their government is selling Leopard tanks to Saudi Arabia."

PERHAPS the last word should go to Mordechai B. Dessaur, who started it all. In three letters he wrote to some of the girls individually, he writes *inter alia*: "The Germans have paid for their crimes, but they have never shown deep remorse." Elsewhere he asks: "Why do you think Israel today is so hard, so militaristic? It is out of fear of another Holocaust, this time at the hands of others." And then again: "I think Israel's relations with Germany are its biggest shame."

Yet the same Dessaur also reveals in one letter that "when I was your age I had - surprise - a German girl friend. I thought she was Swiss, but when I found out the truth it was too late. Amour had already shot its arrows."

Finally he writes: "...the liking for the German people will come back in due time. Goodness will always prevail over bad. It may take some time. I am full of admiration that you did dare to take on this painful subject. May your world be nicer and more livable than mine."

THE ISRAELI PHILHARMONIC ORCHESTRA: Zubin Mehta conducting, with Isaac Stern, violinist (Tel Aviv Museum Auditorium, October 11). Mozart: Concerto No. 2 in A major for violin and orchestra, K.219; Mahler: Symphony No. 4 in A minor.

IT WAS WISE to precede Mahler's Sixth with the unproblematic, graceful and often amusing A major violin concerto. Thus listeners could face the onslaught of the symphony with all their faculties. But Isaac Stern was not at his best. The sweet tone of his instrument was, as always, most pleasing, and phrases occasionally revealed Stern's famous interpretative inventiveness. It did not matter much that he stumbled here and there but what surprised was a strange weariness and lack of spirit.

Stern seemed tired and unable to activate his resources.

What followed, however, was a triumph for Zubin Mehta. Mahler's Sixth is a complex, even frightening work. The composer, his wife, Max Brod, Leonard Bernstein and others have said different, and even contradictory, things about the music; it seems that all were right. One feels that Mahler explores his soul, in terms of music, as no other composer has done.

The music changes constantly, manifesting kaleidoscopic textures and myriads of details. Mehta mastered the challenge with rare inspiration and total identification. Yet even saying this does not do justice to the performance, one of total

## Mehta's triumph

MUSIC / Benjamin Bar-Am

clarity. And nowhere in the symphony was anything overdone.

The orchestra's contribution was a decisive factor in Mehta's triumph. The conductor and players seemed to enjoy each other immensely. The result was a completely organic creation, which deeply moved.

ISRAELI CHAMBER ORCHESTRA. Yoav Talmi conducting, with Malcolm Frager, piano (Tel Aviv Museum, October 7). Handel: Concerto Grosso in C minor, Op. 6, No. 8; Beethoven: Concerto No. 2 in B flat major for Piano and Orchestra, Op. 19; Jacob Gideon: Three Lyric Pieces in Mediterranean Style; Mozart: Symphony No. 40 in G minor, K.550.

THE FIRST appearance of the new musical director of the Israeli Chamber Orchestra was, of course, awaited with considerable hope, but the concert regrettably was not a striking event.

In the first item, Yoav Talmi indeed introduced a real innovation.

The Handel Concerto Grosso was depleted almost completely of vibrato in the strings, freed of excessive dynamics and extremely restrained in what we generally call, expression. Baroque music seemed to have undergone an interesting and promising experiment. The string players of the orchestra, though perhaps slightly stiff, stood up fairly well to this really revolutionary approach. The Concerto Grosso was perhaps Talmi's most explicit contribution to the evening.

The soloist, to put it mildly, was a frustrating disappointment. I found Frager's playing not only lacking in character but also extremely pale in substance and feeble in projection. Not very much came across.

Real pleasure was provided by Gideon's *Three Lyric Pieces in Mediterranean Style*. (I cannot refrain from praising the composer for the modesty and honesty with which he describes his music in the programme notes.) Bathed in true Mediterranean colours, Gideon's undiscovered melody is combined in a very special way with mobile, polyphonically moving clusterlike sound masses. While the first piece, "Sycamores," appears the strongest of the three, the last piece, "Painting in Nostalgic Colours," seems to contain too much excitement, which does not agree very well with the general style of the whole composition, which radiates a soothing pastoral mood, mellowness and

warmth. Talmi invested much work in the piece and produced a performance that did the composer full justice. Talmi's responsibility and seriousness must be fully appreciated.

Yet Talmi's real test came, of course, in the symphony. Mozart's unique G-minor miracle. It was not a bad performance but also not a very meaningful one. The storm and incredible restlessness of this symphony remained mostly matters of external means: dynamics, sound, tempo. How these properties could express the *soul* of the music in a conductor's interpretation remains one of the great secrets of performance.



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# Index-linked bonds in steep rise

The prices of both shares and index-linked bonds rose yesterday, for the second consecutive day of trading. But if the rise in shares was moderate, that of index-linked bonds was much more rapid. Although their average rose by 1.99 per cent, some categories, such as the three per cent fully-linked, rose by 2.38 per cent.

A good deal of these rises were undoubtedly due to the expectation of a much higher cost-of-living index. Estimates ranged from a low 22 per cent to a high 27 per cent, with 25 per cent being the most probable figure. But the "low" figure of 21.4 per cent sounded many.

Thus, if this estimate of the situation is correct, index-linked bonds should enter a period of the doldrums, either stabilizing in price, or rising as fast as they would under ordinary circumstances.

But if there is one thing certain about the Israeli scene, it is that nothing is certain. For the exactly opposite view was offered by some financial experts yesterday. A 21.4 per cent hike in the index may be lower than expectations, but it still shows that the situation "is getting out of control," and when the situation gets out of control, there is a rush to place "loose" money in something whose value will ride out the hard times ahead.

Index-linked bonds may be such a thing (if the government continues to honour its pledge to redeem them and to support their price on the stock exchange), but shares are a much better bet, especially those of companies which are export-oriented.

If we look at the latter, we see that several categories of industrials led the markets in rises. The highest sub-category was processed foods, which, although mainly aimed at the local market, is still an important export item.

The second sub-category which rose considerably was chemicals, rubber and plastics, which are prize export items. As for chemicals, this

## Tel Aviv Stock Exchange

By MACABEE DEAN

is mainly items from Israel's natural resource, phosphates and potash. Fertilizers rose by 8.4 per cent, Dead Sea Works by 3.8 per cent, and Haifa Chemicals by 1.4 per cent.

The demand for fertilizers has picked up lately abroad, and Israel Chemicals, the "mother" company of these natural resource processors, has had a fairly good year.

The turnover in shares was IS781 million, considerably above IS565m. of the previous day. But two thirds of the turnover was in "arrangement" shares. These shares rose only 1.12 per cent, which is surprisingly little.

**Announcements:**  
Gibson Bonds will provide an interest (on an annual basis) of 11.875 per cent from October 11 through April 10.

The Almagot mutual fund has increased its monthly dividend from six to seven per cent for the month of October. The share will go "ex" on October 21 and payment will be made by October 28.

Tsabar mutual fund has increased its monthly dividend from 12 per cent to 15 per cent. The share goes "ex" on October 21 and payment will be made on October 28.

Jerusalem Oil Exploration Limited announces that the drilling of Well One has proved dry. However, examinations of the area indicate that there may be oil nearby. Well One was drilled to a depth of 4,060 metres.

Bonded Warehouses reports an adjusted loss of IS13m. for the six-month period ending June 30, compared to an adjusted loss (in shekels) of IS23.9m. for the same period in 1983.

Cyclone Aviation decided at its ordinary annual meeting on November

## MARKET STATISTICS

**Indices**  
General Share Index 439.38 +0.42%  
Non-bank Index 262.54 +1.23%  
Arrangement shares 341.55 +0.12%  
Industrial 340.15 +1.06%  
Bond Index 364.18 +1.99%

**Turnovers**  
Shares 15,781.1m.  
Bonds 15,867.5m.  
Totals 151,648.6m.  
Advances 228  
Declines 121  
of which 5% + 76  
of which 5% - 14  
"Buyers only" 23  
"Sellers only" 4

**Bond market trends**  
4% fully-linked: Rises to 6%  
3% fully-linked: Rises from 3% to 6%  
8% linked: Rises to 3%  
9% linked: Mixed/Rises to 3%  
Double-option: Stable  
Dollar-linked: Stable

**Most Active Shares**  
Hapolim 15,750 IS146.5m. n.c.  
Mizrahi 7010 IS114.578.5m. +3.0  
Leumi 7,400 IS65.430.8m. n.c.

**Sharpest Moves**  
Mishkan 380 +51 +15.5%  
Elton 213 +28 +15.1%  
Building Center 575 +72 +14.3%

ber 4 to increase its registered capital by IS340m.

Hansel Insurance announced that the adjusted losses for the first half of 1984 were only IS248m. (about \$1m.) compared to adjusted losses of IS2.5 billion (about \$10.5m.) for the same period in 1983. (During all of 1983, the insurance company lost IS5.7 billion, or about \$24m.)

Tempo Beer announces that the government regulation banning the import of foreign beers effects only about 10 per cent of its turnover. Tempo Beer, which imports beer "in bulk" from Tuborg, in Denmark, and which packages it here, is also protesting the government order.

Goldfrust shares, which have been "buyers only" for the last three days of trading, will fluctuate until they reach their natural price at trading today.

## Commercial Banks

(not part of "arrangement")  
OHK 4060 +1.36% +9.7  
Maritime 0.1 3464 197 n.c.  
Maritime 0.5 561 176 n.c.  
General non-bank 3616 78 +5.47 +10.0  
N. American 1 2109 26 n.c.  
N. American 5 1585 22 n.c.  
N. Amer. op 2982 8 n.c.  
Danon 1 399 79 +5.2 +8.7  
Danon 5 213 1141 -6 -7.1  
Danon 10 541 1186 +7 +1.3  
First Int'l 0.5 414 694 -16 -3.7

## Commercial Banks

(part of "arrangement")  
IDB 17350 405 n.c.  
IDB B 17499 36 n.c.  
IDB P 109100 2 n.c.  
IDB 0.1 12901 30 +200 +1.6  
IDB 0.5 22200 n.c.  
Discount A 22100 281 n.c.  
Discount B 2610 123 n.c.  
Mizrahi 7010 1634 +30 +4  
Mizrahi 7100 83 +150 +2.2  
Mizrahi 9 3210 8 +10 +3

**Real Estate, Building**  
Gid 525 51 n.c.  
Gid 5 667 51 n.c.  
Oren 5 667 51 n.c.  
Oren 5 667 51 n.c.  
Oren 5 667 51 n.c.  
Oren 5 667 51 n.c.  
Oren 5 667 51 n.c.  
Oren 5 667 51 n.c.

**Mortgage Banks**  
Adomim 1410 1 n.c.  
Gen. Mortgage 1231 20 -1 -1  
Gen. Mortgage 1232 20 -1 -1  
Gen. Mortgage 1233 20 -1 -1  
Gen. Mortgage 1234 20 -1 -1  
Gen. Mortgage 1235 20 -1 -1  
Gen. Mortgage 1236 20 -1 -1  
Gen. Mortgage 1237 20 -1 -1  
Gen. Mortgage 1238 20 -1 -1

## Financial Institutions

Shilon 155 1130 +5 +3.9  
Shilon 5 155 1130 +5 +3.9  
Shilon 10 155 1130 +5 +3.9  
Shilon 15 155 1130 +5 +3.9  
Shilon 20 155 1130 +5 +3.9  
Shilon 25 155 1130 +5 +3.9  
Shilon 30 155 1130 +5 +3.9  
Shilon 35 155 1130 +5 +3.9

## Insurance

Aryeh 550 265 -46 -7.7  
Aryeh 10 550 265 -46 -7.7  
Aryeh 15 550 265 -46 -7.7  
Aryeh 20 550 265 -46 -7.7  
Aryeh 25 550 265 -46 -7.7  
Aryeh 30 550 265 -46 -7.7  
Aryeh 35 550 265 -46 -7.7  
Aryeh 40 550 265 -46 -7.7

## Trade & Services

Inter-Gamma 1 600 27 n.c.  
Inter-Gamma 2 190 75 +8 +4.4  
Inter-Gamma 3 62 123 +2 +3.3  
Inter-Gamma 4 661 30 +6 +9  
Inter-Gamma 5 443 41 +11 +10

## Industrials

Hadar 0.1 310 45 +10 +3.3  
Hadar 0.5 121 63 n.c.  
Hadar 1 36 3 -12 -17.7  
Hadar 5 2026 5 +106 +3.8  
Hadar 10 805 6 n.c.  
Hadar 15 210 6.1 +10

## Food and Tobacco

Atlas 701 10 +7 +10.0  
Atlas 5 701 10 +7 +10.0  
Atlas 10 701 10 +7 +10.0  
Atlas 15 701 10 +7 +10.0  
Atlas 20 701 10 +7 +10.0  
Atlas 25 701 10 +7 +10.0  
Atlas 30 701 10 +7 +10.0  
Atlas 35 701 10 +7 +10.0

## Services

2530 26 -30 -1.2  
Harel 1 1375 27 -150 -9.8  
Harel 5 16781 51 -1864 -10.0  
Harel 10 8501 5 -699 -7.6  
Harel 15 868 26 -90 -5.6  
Harel 20 393 65 +12 +3.2  
Harel 25 238 46 n.c.  
Harel 30 101 72 -11 -10.2  
Harel 35 124 72 n.c.  
Harel 40 529 69 +48 +10.0  
Harel 45 229 - -

## Hotels, Tourism

Galzi Zohar 1 no trading  
Galzi Zohar 5 no trading  
Dan Hotels 1 393 41 n.c.

## Textiles and Clothing

Adgar 680 18 +5 +7  
Adgar 5 410 40 +5 +1.2  
Adgar 10 104 50 -20 -16.1  
Adgar 15 512 - -  
Adgar 20 225 - -  
Adgar 25 81 330 - -  
Adgar 30 213 1351 +28 +15.1  
Adgar 35 162 516 n.c.  
Adgar 40 766 5 n.c.  
Adgar 45 71 702 +2 +2.9  
Adgar 50 31 3543 -3 -13.0  
Adgar 55 530 41 +10 +1.9  
Adgar 60 400 50 +15 +3.0  
Adgar 65 217 -8 -8.0  
Adgar 70 57 100 -8 -9  
Adgar 75 127 n.c.  
Adgar 80 200 60 -22 -9.9  
Adgar 85 151 - +1 +1.0  
Adgar 90 280 60 n.c.  
Adgar 95 139 82 -15 -10.0  
Adgar 100 73 103 +1 +1.4

## Metals and Metal Products

Octagon 3905 10 +355 +10.0  
Octagon 5 1736 19 -80 -4.4  
Octagon 10 1310 62 +45 +3.3  
Octagon 15 1500 14 +114 +8.2  
Octagon 20 632 17 n.c.  
Octagon 25 479 121 +11 +2.4  
Octagon 30 363 69 +35 +10.1  
Octagon 35 101 152 +1 +9.9  
Octagon 40 68 80 +3 +4.6  
Octagon 45 300 36 +12 +4.9  
Octagon 50 306 36 +12 +4.9  
Octagon 55 183 191 -13 -6.6  
Octagon 60 79 455 n.c.  
Octagon 65 141 75 -20 -12.4  
Octagon 70 558 - -12 -2.1  
Octagon 75 158 158 -12 -5.7  
Octagon 80 383 100 +10 +2.7  
Octagon 85 277 17 n.c.  
Octagon 90 497 17 +23 +4.9  
Octagon 95 716 - -2 -3  
Octagon 100 321 - +1 +3  
Octagon 105 1100 8 +50 +4.8  
Octagon 110 515 35 n.c.  
Octagon 115 447 100 +20 +4.7  
Octagon 120 675 35 n.c.  
Octagon 125 319 55 +8 +2.6  
Octagon 130 180 204 -11 -5.8

## Electrical Machinery

Electronics, Optics  
Elco 1 146000 3 -500 -

## Building Materials

IL Industries 311 297 -17 -7.5  
Alkol 380 18 -38 -9.1  
Alkol 5 110 170 +6 +5.8  
Alkol 10 610 41 n.c.  
Alkol 15 431 59 +11 +2.6  
Alkol 20 1270 26 +60 +4.7  
Alkol 25 520 134 -28 -5.1  
Alkol 30 90 40 +4 +10.0  
Alkol 35 650 28 n.c.  
Alkol 40 565 5 +59 +11.7

## Chemicals, Rubber, Plastics

Agan Chem. 1849 9 -1 -1  
Agan op 1430 30 -89 -5.9  
Alliance Tire 198 6 -5 -2.5  
Gal Indus. 1 1983 26 +6 +3.3  
Gal Indus. 5 450 250 +10 +2.3  
Dexter Chem. 283 6.1 +13 +4.8  
Fertilizer 0.1 3562 3 +324 +10.0  
Fertilizer 0.5 1390 80 +105 +8.4  
Hais Chemicals 127 +25 +1.4  
Teva 1 5050 48 +100 +2.0  
Teva op 4 3200 11 +100 +3.2  
Lipsky op 420 - -

## Research & Development

Cleaver Devices 208 135 -23 -10  
Cleaver Dev. op 103 207 -5 -4.6  
Gall Tech. 1 177 380 +1 +6

## Oil Exploration

Delek Expl. 1 850 75 n.c.  
Delek Expl. 5 405 135 +4 +1.0  
Oil Expl. P. 1515 92 +15 +1.0  
Terol 1 333 14 -37 -10  
Terol 5 126 100 n.c.  
Terol 10 100 490 +9 +9.8  
J.O.E.L. 270 566 -30 -10.0  
J.O.E.L. op 1 170 624 -30 -15.0  
M.G.N. 1 387 6.1 +19 5.2  
M.G.N. 5 141 258 +5 +3.7  
M.G.N. op 1 61 400 +5 +9.9  
Seismica 1 265 96 +15 +5.4  
Seismica 5 126 283 -14 -10.0  
Seismica op 4 130 -2 -2.1  
Pedoli 1 298 70 +20 +7.0  
Pedoli 5 190 6.1 +9.0 5.0  
N. Amer. 1 100 490 +9 +9.8  
N. Amer. op 56 4.1 -3 -8  
N. Amer. op 2 48 284 -5 -10.2  
Naphta 1 75000 - +2000 +2.7

## New Listings

Abbr. abbreviations  
b.o. buyers only  
c without dividend  
d without coupon  
e without bonus  
f preferred  
g preferred  
h preferred  
i preferred  
j preferred  
k preferred  
l preferred  
m preferred  
n preferred  
o preferred  
p preferred  
q preferred  
r preferred  
s preferred  
t preferred  
u preferred  
v preferred  
w preferred  
x preferred  
y preferred  
z preferred

## 15 hotels in shaky condition

By MICHAEL YUDELMAN

**JERUSALEM POST REPORTER**  
TEL AVIV. — About 15 hotels throughout the country are on the verge of bankruptcy and in danger of being put into receivership. The Jerusalem Post learned yesterday.

These hotels, some of them large ones in big cities, stopped paying their debts to the Tourism Ministry a few months ago, it was learned.

The "presidency of the Israel Hotels Association" yesterday met with Tourism Minister Avraham Shinar and asked him to extend the hotels' development debts to the ministry over 25 years, instead of 12 years as at present.

Association president Maurice Cassuto said that the hotels are not asking for the cancellation of any of their debts, or to have their linkage reduced, but merely to spread them out over more years. He explained that hotels rarely make profits dur-

ing their first years of operation and that due to the economic situation they have cash flow problems.

Cassuto, who would not reveal the names of the hotels in question, said that in other tourism countries hotels repay their debts to the state over a longer time. In Switzerland the period is 25 years, in Greece 22 and in Italy 24.

The debts are being paid to the Company for the Development of Tourism Projects, which serves as the Ministry's "bank."

## Dollar resumes record pace

LONDON (AP). — The U.S. dollar resumed its record-shattering pace on European exchange markets yesterday in active trading. Gold bullion prices eased.

Despite fears of intervention by West Germany's central bank, the dollar soared to record highs against the British, French and Italian currencies, a 13-year high against the Dutch guilder, a seven-year high against the Swiss franc and a near 11½-year high against the West German mark.

Traders in Frankfurt said they were swamped with calls from foreign colleagues throughout the day inquiring whether there was any hint of intervention by West Germany's Bundesbank. Heavy dollar-selling by the central bank last month braked the dollar's record climb.

But banking sources said the Bundesbank didn't enter the open market yesterday and limited its action to matching sales of \$13.45 million when the U.S. unit was set at \$1.1379 West German marks at the afternoon fixing. The dollar edged up in later trading to 3.1440 marks, compared with 3.1070 marks late Friday.

In London, the British pound plunged to a new all-time closing low of \$1.2082, down from \$1.2262 Friday.

**WHEAT.** — Egypt will import 10 million tons of wheat from Australia over the next five years at a rate of two million tons a year, Egypt's Middle East News Agency reports.

## Auto workers reach settlement with Ford

DEARBORN (Reuters). — The United Auto Workers Union (UAW) this week reached a tentative agreement with Ford covering 115,000 workers at the world's second largest car company.

"As a result the UAW workers at Ford will have greater job security than ever in history. The tentative agreement, also, provides significant economic gains immediately and in the years ahead," it said.

UAW president Owen Bieber told reporters that "job security was the key issue," in the agreement.

The union said the Ford agreement follows closely the pattern established by the UAW and General Motors, whose package involves wage increases and a one-billion-dollar job security pool to protect workers whose jobs are threatened by new technology or shifts to outside production.

## Cut in prime rate

NEW YORK (Reuters). — A major U.S. bank, Bankers Trust yesterday cut its prime interest rate by ¼ per cent to 12¼ per cent, but no other big institutions followed suit.

## LONDON BANK RATES

October 15, 1984  
Bank base rate 10½% 10½%  
Call money 10½% 10½%  
91 day treasury 10½% 9½%  
3-months interbank 10½% 10½%  
Lloyds Bank International, London

## Bank of Israel exchange rates

October 15, 1984 IS  
U.S. dollar 447.01  
British sterling 542.31  
German mark 142.31  
French franc 46.433  
Dutch guilder 126.30  
Swiss franc 173.58  
Swedish krona 50.808  
Norwegian krone 49.704  
Danish krone 39.410  
Finnish mark 69.159  
Canadian dollar 338.40  
Australian dollar 370.79  
South African rand 254.51  
Belgian franc (10) 70.479  
Austrian schilling (10) 202.59  
Italian lire (1000) 230.86  
Japanese yen (100) 179.47  
Irish pound 442.09  
Spanish peseta (100) 255.38  
Jordanian dinar 1104.1  
Lebanese lira 55.880  
Egyptian pound 371.02

## FOREIGN CURRENCY

15.10.84  
INTERBANK SPOT RATES:  
US\$ 1.21281/2135 per \$  
DM 3.14183/1428 per \$  
Dutch G 3.14053/3420 per \$  
Swiss F 2.57002/5765 per \$  
Belgian C 63.423/43.44 per \$  
French FR 6.93109/6340 per \$  
Italian L 1936.25/1937.25 per \$  
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# THE JERUSALEM POST

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## Dollarization now

THE September price index that was published yesterday was as predicted. But official confirmation that the economy is racing towards chaos did not make it more tolerable, for the certainty of disaster is worse than its expectation.

The Treasury will no doubt take consolation in the fact that the price index did not jump the 25 per cent barrier, at which the cost-of-living allowance would have been 90 per cent instead of the 80 per cent compensation that will be paid in the beginning of November. In any case two thirds of that compensation has already been wiped out by the price rises since the middle of September.

The government, from the Prime Minister down, continues to mumble about a package deal. The time for that is past, at least in the form in which it is conceived. Nobody can expect a wage erosion that, in the last two months has been 10 per cent in real terms, and may soon reach nearly twice as much, to be absorbed quietly by the wage earners. No wonder that Histadrut Secretary-General Yisrael Kessar stays in America on an "important mission" and that Haim Haberfeld, head of the trade union division in the Histadrut, is also abroad. Right now, they have no basis for any discussions.

Prime Minister Peres has brought back from Washington some relief for the utter mess he has inherited from the Shamir-Cohen-Orag regime, and for which, out of loyalty to the new-found national unity, he refrains from assigning the blame. In addition to the promised cheque for the entire \$1.2b. economic aid package this month, there is the American moratorium, and later possible write-off, of \$500m. of our debt to the U.S. government.

Dubious as that moratorium may be for our credit-worthiness rating, it has, together with the less specific promises from Washington, given the economy relief on the balance of payments front. The question now is what the government intends to do during the breathing spell, and how soon it is going to do it.

Yesterday's index, and what we already know about the next one, have a clear message: that time has run out.

What has the government to offer in the context of a package deal? Budget cuts which, if they can be implemented at all when the basis for budget control has been totally shorn away, can only mean higher unemployment, fewer and more expensive services. What have the employers to offer? Flimsy excuses for hiking their prices way beyond their cost increases, or reductions of output which, in turn, mean more unemployment. The conventional formula of a package deal means only one thing—a unilateral cut in real wages.

There may be no way out of a cut in real wages. But if the Histadrut and its members at the works committee level are to accept that even temporarily, they must be informed what their real wage cut will be. With an inflation rate heading towards four figures nobody can tell.

What is needed, immediately, is a package deal of a new kind—one that will temporarily suspend the present cost-of-living agreement and give the economy a fresh basis for rational calculation. The government must bow to reality: our currency, long ago wiped out as a store of value, is now no longer even used as a unit of account. Even the government itself uses the dollar in all its statements about public finance.

The time has therefore come to introduce dollarization, in one form or another, as a unit of account. That, and that alone, can be the starting point from which to deal with negotiated cuts in real wages, price restraint and price control, budget cuts and, more remotely, new investments and a revival of growth.

## MORATORIUM

(Continued from Page One)

U.S. aid, he said, would enable the government to take the measures it had to take without having to fear for the foreign currency reserves.

Shamir, who had had some doubts about the timing of the visit, also spoke with gratification regarding what had been achieved. And Defence Minister Yitzhak Rabin seemed to express the sense of the cabinet when he congratulated Peres on "the visit, its timing, and its results."

Peres himself said he felt he had struck a particularly deep and responsive chord within the administration when expounding Israel's "defence dilemma." Israel could cut much more from its state budget, he had said. But to do so would mean inevitably to weaken its defences.

Rengin and Secretary of State George Shultz had vehemently opposed any such weakening. Peres reported.

Treasury officials said yesterday that accountant General Arye Sher will leave for the U.S. next week to finalize details of the U.S. offer to delay debt repayment.

Wolf Blitzer adds from Washington: The State Department yesterday cautioned reporters against concluding that there was already an "agreement" between the U.S. and Israel on debt re-scheduling.

Under U.S. law, any moratorium on the repayment of foreign debts—as opposed to a 90-day postpone-

ment—would require passage of new appropriations legislation by both houses of Congress. The waived sums, moreover, would have to be included in the federal budget.

Israel is currently repaying the U.S. at the rate of approximately \$1b. a year. Since 1948, Israel has received some \$28b. in various forms of direct U.S. governmental economic and military grants and loans—\$2.6b. in the just concluded legislation. Most of this U.S. assistance was provided since the 1973 war.

The newly formed U.S.-Israel Economic Committee is scheduled to open preliminary sessions in Washington in the coming weeks to consider all sorts of short and long-term proposals to improve the Israeli economy.

U.S. and Israel negotiators are also supposed to wrap up their free trade area agreement by early November. The actual benefits envisaged for the Israeli economy under this pact will not really come into effect for many months.

Finance Minister Yitzhak Moda'i has agreed to come to Washington to address the national convention of the Zionist Organization of America on October 27.

Moda'i had been expected to come to Washington to participate in last month's annual meeting of the World Bank and International Monetary Fund. But he cancelled the visit because of pressure of work in Jerusalem.

## POSTSCRIPTS

A BOX of old bones, said to be the remains of King Edward the Martyr, murdered more than 1,000 years ago, has been relegated to a London bank vault to await a decision on the rightful owner.

Col. Geoffrey Claridge, 81, great-nephew of the man who founded the London hotel, disputes ownership with his brother John, 79, who lives in Malta and wants to give them to the Russian Orthodox Church outside Russia.

This sect, whose brotherhood at Brookwood, Surrey, Southeast England, has a membership of two, and has dedicated a shrine to Edward with the approval of the church's synod in New York.

The colonel wants the bones returned to Shaftesbury Abbey, where they were dug up in 1932.

But John says the town, in Southwest England, had ignored the bones. The Anglican and Roman Catholic Churches had turned down what were believed to be remains of the Saxon king who ruled England from 975 to 978 when he was killed at the age of 17.

A London high court judge allowed the bones to be ceremonially enshrined at Brookwood, but said they should be returned to a bank in the London suburb of Croydon until a court establishes ownership. They have been in the bank since about 1951.

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# Toilet economics

By STEVEN E. PLAUT

READERS WITH a highly developed sense of delicacy are warned not to read this commentary. We will be dealing with a highly indelicate subject. We will be discussing a central concern of the latest version of the government's economic policy. It seems that a major issue for that policy is the matter of those large round ceramic household fixtures through which water passes intermittently and which back in kindergarten we called Happy Johnnies. There, I have said it. Yes, the government has decided to fight the continuing deterioration of our economy by crusading against imported Happy Johnnies.

In recent days, the government announced that it was totally banning all imports of Happy Johnnies and 54 other items for a period of six months. These items were enumerated in what was called a "list of luxury goods." Now think about that for a moment. Happy Johnnies are luxury goods?

The fact that the government regards them as such would seem to say a lot about the lifestyle and perhaps the early toilet training of the political leadership. It is one thing to fight foreign reserve loss by prohibiting imported shaving cream, also on the "list of luxuries." After all, what's wrong with Jews growing beards? But Happy Johnnies? That is really hitting the public below the belt!

IT SHOULD BE clear that the government's excessive interest in the subject stems from a neurotic unwillingness to produce any real programme for economic recovery. Economic policy is exhibiting all the symptoms of what the Freudians call anal fixation: compulsive printing of money even though inflation is skyrocketing toward quadruple digits, obsessive striving for ever greater central bureaucratic control over the

country's resources.

The government apparently felt it was under pressure to do something. Now since it had no intention of doing anything that would really lower inflation or produce recovery, it latched onto a list of import restrictions.

The list of prohibited items is interesting for other reasons besides the Freudian. Many of the items are produced in Israel by only one or two domestic producers. One of the most essential functions of imports in a small country is to prevent such producers from earning monopoly profits.

Take away the imports and there is nothing to prevent the domestic monopolist from demanding anything he wants. So if you wanted to prohibit imports at all for some reason, the last things you should prohibit would be imports that compete against domestic monopolies or near-monopolies.

But the new list is chock-full of these. No more imports of chocolates, wines, and of course the perennial beneficiary of government patronage and largesse—carpets.

A closer look at how the import restrictions are going to work will demonstrate even more clearly why the government's new policy deserves—I simply can't resist—a grade of 00. Suppose that Israelis buy 1000 gadgets a month. 300 of which are imported, the rest produced here. Now if you suddenly eliminate the imports, there is a shortage of 300. Ordinarily, this would mean the price of domestic gadgets would rise, inducing domestic producers to turn out more, and leading consumers to buy less, until the market would clear at some higher price where the shortage would disappear.

But what happens if the government passes a law that prevents increases in gadget prices? The short-

age would persist! People would be forced to wait for long periods to get gadgets. Hoarding and bribery would prevail. People might try to trade gadgets on the black market.

So guess what our government wants to do? They have placed price ceilings on all those goods that will be restricted, guaranteeing that shortages will occur. So, Lilienblum street should get ready to trade in imported beer, mineral water, dishes, cosmetics, and perhaps even Happy Johnnies. Can anyone think of a more surefire way to discourage immigration and encourage emigration from Israel than a Johnny shortage?

In all fairness, one should point out that only imports of ceramic Johnnies have been designated "prohibited luxury goods." No one said anything about, say, wooden ones. But I for one am opposed to those. After all, how would we feel if Israel became known as the Birch John Society?

THE PRICE ceilings do not really reduce inflation of course. Inflation should really be measured by the scarcity value of goods. Price ceilings produce a facade of price stability, while aggravating scarcity. The Soviet Union has no official "inflation," but it has shortages of everything except roubles. Real inflation is made worse by the controls. Moreover, the tax revenue that the Israeli government had been collecting from customs duties on these restricted imports will now presumably be replaced by printing even more money.

Let's get some basic things straight. First, the solution to Israel's economic mess is not going to be found in taking away more money from the public, but rather in taking away money from the government. The Israeli household is not overspending; the government is.

## Dry Bones



Second, there is only one proper or effective way to solve the balance of payments crisis—through correctly pricing the shekel while slashing government spending to release resources for productive uses, and eliminating government meddling in import and export trade.

Third, the very worst way to try to improve the balance of payments is through selective administrative restrictions on a set of imports that some politician or bureaucrat happens to regard as "luxury goods."

Fourth, if this very worst form of policy is nevertheless adopted, the even worse decision is to add price controls that ensure that shortages follow.

The government has yet to indicate that it is at all serious about cutting spending (as opposed to raising taxes), eliminating controls and

interference, or giving the money printing presses a sabbatical. But bureaucrats hate idleness and Israeli economic policy has taken yet one more step in the wrong direction. The government is determined to try courageously any new idea just as long as it is one that is guaranteed not to work.

History has tended to attach labels to the economic programmes of various administrations. Roosevelt had his "New Deal." Johnson produced the "Great Society." Andor gave us "Correct Economics." Well, it seems that Moda'i, Sharon and the rest of the team will be remembered as having fought the current economic emergency through "Toilet Economics."

The writer teaches economics at the Technion and is associated with the Israel Centre for Social and Economic Progress.

# Ideal of brotherhood

By CHAIM PEARL

orchard, the modern urban citizen has to cultivate the same kind of feeling for whatever blessings he has—life, health, family, friends and work.

In a sense the mark of true religious feeling is the expression of gratitude. That is why the rabbis offer the observation that even if all other kinds of sacrifice become obsolete, the one sacrifice which will keep its validity is the thank-offering.

ANOTHER RELATED theological concept is the theme of God as protector. The Bible gives this teaching priority in its theology of Succot. The reason for "dwelling in booths" during the seven days of the festival is because "I made the children of Israel to dwell in booths when I brought them out of the land of Egypt" (Lev. 23:43).

Under conditions which could have been thought disastrous to national survival, and in spite of periodic grumbings, the people were sustained with food, water, clothing, leadership and protection. When a person comes to the recognition of Divine protection in our lives. To arrive at that stage is to achieve the prize of true religious faith.

It is for this reason that some early teachers raised the significance of Succot even above the other two pilgrim festivals. In the 15th century there lived in Spain a teacher by the name of Isaac Arama. Among other works, he wrote a monumental commentary on the Five Books of Moses in the form of lengthy sermonic essays on the weekly portion of Torah.

In the chapter dealing with the biblical laws of Succot he makes an interesting comparison between this festival and Passover and Shavuot. Interestingly, Arama gives pride of place to Succot which he describes as the festival of the "highest soul" while the other two feasts are linked to the "lower souls." This is because Passover celebrates chiefly physical freedom which is a "lower" need of man.

Shavuot is religiously on a higher plane because it commemorates the spiritual gift of Torah. But when we examine the meaning of Succot we arrive at the ultimate stage of religiosity which is the thankful recognition of Divine protection in our lives. To arrive at that stage is to achieve the prize of true religious faith.

IF THIS WERE the total theological meaning of Succot it would be enough. But there is at least one more central theological teaching of Succot which is particularly relevant for us today since it brings us back to consider an ideal which has been thoughtlessly roughed up, perhaps most shamefully in religious circles. I refer to the universalistic teaching which our literature attaches to Succot.

In choosing the biblical reading for the festival the rabbis selected prophetic chapters which connect with the notion that Succot is a festival for all mankind. The 14th chapter of Zechariah contains the thought that the gentle nations will gather in Jerusalem to worship God "and to keep the feast of Tabernacles" (Zech. 14:16). It is significant that Christian friends of Israel make the pilgrimage to Jerusalem on Succot in accordance with this biblical teaching which looks forward to the day when all nations will acknowledge only one God.

Rabbinic theology develops the same idea of universalism when it suggests that the 70 sacrifices offered during the seven days of the festival were to represent the 70 nations of the world. Only at the end, on the

eighth day, was a single sacrifice offered for Israel alone.

So the point is made that the ideal in Judaism embraces a concern and love for the whole of mankind. The particularism which has its place in Judaism on the last day, is not destructive of its universalism. On the contrary, the separateness of Israel makes greater sense only when it advances the ideal of the brotherhood of man.

It is true that it is a doctrine which some people find hard to accept when it often seems that the whole world is against us. But it must have been just as hard for the rabbis under Roman rule to submit to such an ethic.

It is unfortunate that in our age of screaming nationalism—even of the Jewish kind—this universalistic teaching has become overcast. Someone commented recently that for us "universalism" is a dirty word. It is so because the militant ethnocentricity of extremists may have made it thus. And if they have not yet achieved this purpose then they are bent on extinguishing this bright concept of Judaism and replacing it with a disaster area of national fanaticism.

The universalism of Succot is more important today than ever before, since it can bring balance and sanity to our political-religious outlook.

Rabbi Dr. Chaim Pearl is a writer and lecturer and vice chairman of the Directorate of the Movement for Messianic (Conservative) Judaism.

## READERS' LETTERS

### ECONOMIC DEVELOPMENT IN TERRITORIES

To the Editor of The Jerusalem Post Sir, — In her article of October 1, "Partners in a dialogue," Dr. Susan Harris Rolef has cast a slur upon the people in charge of encouraging economic development in the West Bank and the Gaza Strip, when she accuses them of "simply not allowing any genuine economic development to take place."

As the author of 15 pamphlets on the "genuine economic development" in these areas, I have lists of scores of examples of genuine economic development projects, factories, cooperative enterprises, new agricultural societies, housing and irrigation schemes which were carried out in these areas in recent years. They were not "simply not allowed," but actually actively encouraged and supported by the various Israeli authorities, civilian and military.

GIDEON WEIGERT  
Jerusalem.

Susan Harris Rolef comments:

I am sorry to have to differ with Mr. Gideon Weigert with whose work I am familiar and whom I respect. The genuine economic development which he mentions occurred mostly before 1977. In recent years, there has been economic prosperity in the West Bank, but hardly any economic development. The U.S. has frequently raised this problem with us.

Though I have not done any academic research on the subject, I have discussed the issue with several scholars from Haifa University and the Hebrew University who have, as well as with persons who were engaged in the civil administration and others (both Jews and Arabs) who were involved in trying to further specific economic projects. I stand by my statement.

### YOUNG JUDEA

To the Editor of The Jerusalem Post Sir, — For the coming 75th anniversary of the founding of Young Judea, we would like to get in touch with anyone who ever was a member of Young Judea or Young Judea/Hashachar, attended Camp Tel Yehuda or participated in the year course at the Jerusalem Institute, the Machon or any of the summer Israel programmes.

If former Young Judeans will write to Young Judea 75th Anniversary Committee, Hadassah Council in Israel, 24 Straus Street, Jerusalem or phone 231411 and give their name, address and dates of their Young Judea experience, we will inform them of the plans, which include a reunion on January 9 at Binyanei Ha'uma.

BERNICE H. FLEISS  
Jerusalem.

### HISTORY'S WARNING

handful survived. This awful warning should be heeded by Israelis. They fail to see that their extravagance, their luxurious waste, their extravagant picnics on the side of the volcano pre-empt an earth-shaking blow-out.

They are encouraged by the charlatans in power to shut their eyes and stuff their ears.

HUBERT MONTARIER  
Jerusalem.

### PENFRIENDS

TINA MATTHESSON (18), of Orgnogrund 28, S-191, 72 Sollentuna, Sweden, is a student who would like to correspond with Israelis between the ages of 15 and 25. She loves animals and is interested in music and sports.

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